

WORK SESSION AGENDA
A M E N D E D*

**CITY COUNCIL WORK SESSION
TUESDAY
JUNE 11, 2013**

**COUNCIL CHAMBERS
211 WEST ASPEN AVENUE
6:00 P.M.**

- 1. Call to Order**
- 2. Pledge of Allegiance**
- 3. Roll Call**

NOTE: One or more Councilmembers may be in attendance telephonically or by other technological means.

MAYOR NABOURS
VICE MAYOR EVANS
COUNCILMEMBER BAROTZ
COUNCILMEMBER BREWSTER

COUNCILMEMBER ORAVITS
COUNCILMEMBER OVERTON
COUNCILMEMBER WOODSON

4. Public Participation

Public Participation enables the public to address the council about items that are not on the prepared agenda. Public Participation appears on the agenda twice, at the beginning and at the end of the work session. You may speak at one or the other, but not both. Anyone wishing to comment at the meeting is asked to fill out a speaker card and submit it to the recording clerk. When the item comes up on the agenda, your name will be called. You may address the Council up to three times throughout the meeting, including comments made during Public Participation. Please limit your remarks to three minutes per item to allow everyone to have an opportunity to speak. At the discretion of the Chair, ten or more persons present at the meeting and wishing to speak may appoint a representative who may have no more than fifteen minutes to speak.

5. Review of Draft Agenda Items for the June 18, 2013, City Council Meeting.*

** Public comment on draft agenda items may be taken under "Review of Draft Agenda Items" later in the meeting, at the discretion of the Mayor. Citizens wishing to speak on agenda items not specifically called out by the City Council for discussion under the second Review section may submit a speaker card for their items of interest to the recording clerk.*

- 6. * Legislative Session Update**
- 7. Updates on Sustainability Program.**
- 8. Discussion of 2014 Election Issues.**
- 9. * Presentation on the City of Flagstaff's Procurement Code Manual.**
- 10. Dew Downtown Ski & Snowboard Festival Options.**

11. **Position on proposed 2014 resolutions for consideration by the League of Arizona Cities and Towns.**
12. **Review of Draft Agenda Items for the June 18, 2013, City Council Meeting.***

**Public comment on draft agenda items will be taken at this time, at the discretion of the Mayor.*
13. **Public Participation**
14. **Informational Items To/From Mayor, Council, and City Manager.**
15. **Adjournment**

CERTIFICATE OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at Flagstaff City Hall on _____, at _____ a.m./p.m. in accordance with the statement filed by the City Council with the City Clerk.

Dated this _____ day of _____, 2013.

Elizabeth A. Burke, MMC, City Clerk

Memorandum

6.

CITY OF FLAGSTAFF

To: The Honorable Mayor and Council
From: Stephanie Smith, Executive Assistant to City Manager
Date: 06/05/2013
Meeting Date: 06/11/2013



TITLE:

* **Legislative Session Update**

DESIRED OUTCOME:

Richard Travis from Nexxus Consulting will give an update on the Legislative Session, including a status report on the bills Nexxus has been tracking for the City. Following the updates, City Council will have the opportunity to discuss initial plans for the next Legislative Session.

INFORMATION:

Attached to this memo is a matrix of bills and status for the 2013 Session that have been tracked for the City by Nexxus.

Attachments: Legislative Bill Tracking

City of Flagstaff, Legislative Bill Tracking 2013 Session

June 4 2013

PRIORITY BILLS

| Bill # | Short Title | Current Status - May 6, 2013 |
|---|---|---|
| Category: Alcoholic Beverages | | |
| H2501 | Liquor Board; Membership; Municipalities | Dead |
| H2613 | Liquor Licenses; Financial disclosure Statements | Dead |
| Category: Banks/Financial Institutions | | |
| H2365 | Microenterprise Development Program | Dead |
| Category: Cities & Towns/Counties | | |
| H2026 | Local Governments; Union dues; Deductions | Dead |
| H2086 | Parking Meters; Operational Check | Dead |
| H2113 | Municipal Annexation; Size; Exception | 3/28 from Senate rules ok |
| H2138 | Municipalities; Right of Way; Transfer | 4/29 Signed by Governor. Chapter 127, Laws 2013 |
| H2315 | Local Governments; Regulation; Requirements | Dead |
| H2404 | Building Codes; Residential Energy Efficiency | 4/30 Passed Senate; ready for House action on Senate amends |
| H2443 | Cities; Counties; Regulatory Review | 4/10 Signed by Governor, Chapter 74, Laws 20113 |
| H2474 | Planned Communities; Zoning; Limitations; Districts | Dead |
| H2492 | Municipalities; Wastewater Utility; Acquisition; Repeal | 3/28 Signed by Governor, Chapter 121, Laws 2013 |
| H2533 | Local Governments; Public Notices; Website | 3/21 Senate gov-env held |
| H2594 | Local Transportation Assistance Fund; Restoration | Dead |
| S1138 | Building Code Moratorium; Repeal | Passed Senate; never heard in House |
| S1210 | Municipalities; Municipal Policies; Shared Revenues | 2/25 Failed in Senate |
| S1321 | Residential Energy Efficiency; Building Codes | 3/18 Failed in House energy-env; See H2404 |
| S1365 | Planned Communities; Zoning; Prohibitions | 3/11 House gov Failed 1-3 |
| S1370 | Municipal Franchise Elections; Rates; Estimate | 4/10 Signed by Governor, Chapter 80, 2013 Laws |
| S1371 | Municipal Elections; Ballot; Disclosure | 5/2 Vetoed by Governor |
| S1466 | Cities; Towns; dilapidated Buildings | 4/10 Signed by Governor, Chapter 82, 2013 Laws |
| S1470 | Towns; Dedicated Property Tax | 5/2 Passed House; ready for Senate action on House amends |
| Category: Criminal Code/Courts | | |
| H2070 | Community Restitution Work Program Credits | Died in Senate |

| | | |
|----------------------------|---|--|
| H2085 | Gang; Immigration Intelligence; Mission; Funding | Dead |
| H2261 | Scrap Metal; Theft | See S1107 |
| H2288 | State Regulation of Firearms | Dead |
| H2291 | Arizona Firearms; Prohibited Enforcement | Dead; See H2326 |
| H2310 | Now: Courts; Evaluation; Mental Health; Report | 4/29 signed by Governor, Chapter 140, Laws 2103 |
| H2326 | Firearms; Records; Prohibited Acts | 4/29 signed by Governor, Chapter 141, Laws 2103 |
| H2378 | Destruction; Forfeited or Unclaimed Firearms | Dead |
| H2379 | Prohibited Possessor; Order of Protection | Dead |
| H2380 | Concealed Carry; Permit Requirements; Offense | Dead |
| H2381 | Firearms; Sales; Transfers; Background Checks | Dead |
| H2383 | Domestic Violence; Arrest; Predominant Aggressor | 3/28 from Senate Rules ok |
| H2387 | Recovery of Attorney Fees | 3/20 further referred to Senate approps |
| H2517 | Domestic Violence; Arrest; | 5/8 Senate discharged free conference committee |
| H2528 | Cyclist or Pedestrian Harassment | Dead |
| H2554 | Firearm Regulation; State Preemption | Dead |
| H2558 | Firearms; State Preemption; Local Laws | Dead |
| H2559 | Property; Receipt; Notification | Dead |
| H2561 | Graffiti Implements; Unlawful Acts; Minors | Dead |
| H2562 | Public Retirement Systems; Ineligible employees | 5/21 House refused to concur on Senate amends; Free conference committee named |
| H2574 | Drone Surveillance; Prohibition; Exceptions | Dead |
| H2582 | Political Subdivisions; Firearms; Records | Dead |
| H2651 | Immigration; Law Enforcement; Repeal | No Action |
| S1032 | Municipal Courts; Monies Transfer | Dead |
| S1107 | Scrap Metal; Theft | 4/30 Signed by Govenor, Chapter 163, Laws 2013 |
| Category: Education | | |
| H2589 | Community Colleges; Universities; Concealed Weapons | Dead |
| Category: Elections | | |
| S1042 | Interstate Agreement; National Popular Vote | Dead |
| S1276 | Elections; Postings; Mail Balloting; Amend | Dead |
| S1387 | Online Voting; Pilot Program | Dead |
| H2156 | Elections; Public Resources Prohibited | 4/11 Signed by Governor, Chapter 88, Laws 2013 |
| H2313 | Elections; Tally; Notice | Dead |

| | | |
|---|--|---|
| H2350 | Permanent Early Voting List; Notarization | Dead |
| H2518 | Cities & Towns; Approval Voting | On Senate COW calendar 6/5/13 |
| Category: Environment | | |
| H2361 | Large Electronics Recycling Program | Dead |
| Category: Fire Safety | | |
| H2036 | Aerial Luminaries; Prohibited | Dead |
| H2187 | Consumer Fireworks; Regulations | Dead |
| H2200 | County Fire Dept; Authorization | Dead |
| H2461 | Fireworks; NFPA; 2013 Code; Adoption | 4/17 Signed by Governor, Chapter 124, Laws 2013 |
| H2481 | Permissible Consumer Fireworks; Penalty | 4/30 Vetoed by Governor |
| S1035 | Tech Correction; Fire Districts | Dead |
| Category: HR/Labor/Public Officers/Employees | | |
| H2005 | Political Subdivision Entities; Public Access | 3/19 from Senate Rules ok |
| H2006 | Retirement; ASRS; Political Subdivision Entities | Dead |
| H2056 | PSPRS: Amendments | 5/14 Passed Senate; ready for House action on Senate amends |
| H2057 | ASRS: Plan Design Amendments | Dead |
| H2059 | ASRS: Administration | Dead |
| H2204 | Law Enforcement; Surviving Spouse; Insurance | 4/5 Signed by Governor, Chapter 54, Laws 2013 |
| H2223 | Firefighters; Spouse; Insurance Payment | Dead |
| H2225 | ASRS: New Members; Eighty-Five Points | Dead |
| H2280 | Employee Benefits; State Preemption | 4/29 Signed by Governor, Chapter 139, Laws 2013 |
| H2303 | Overtime Compensation; Law Enforcement | 5/9 Signed by Governor, Chapter 200 Laws 2013 |
| H2330 | Public Employees; Bargaining; Open Meetings | Dead |
| H2343 | Public Employees; Compensation; Union Activities | Dead |
| H2388 | Law Enforcement; Protective Armor; Costs | Dead |
| H2389 | Peace Officers; Omnibus | 5/23 House adopted conference report 53-1; Awaits Senate final vote |
| H2413 | Labor Orgs; Nonunion Employees; Representation | Dead |
| H2414 | Public Employees; Collective Bargaining | Dead |

| | | |
|--|---|--|
| H2418 | State Personnel System; Covered Employees | Dead |
| H2438 | Paycheck Deductions; Public Employers | Dead |
| H2524 | ASRS;Return to Work;Compensation Limit | Dead |
| H2608 | EORP;Closure; Defined Contribution | 5/8 Senate voted to reconsider failure to pass; Passed on reconsideration; Ready for House action on Senate amends |
| H2653 | Defined Contribution Retirement System | Dead |
| H2655 | Public Monies; support; Defeat; Legislation | Dead |
| HCR2005 | Public Retirement Systems | Dead |
| S1004 | Unlawful Termination; Family Emergency | Dead |
| S1124 | Public Employees; Collective Bargaining | Dead |
| S1170 | Retirement; ASRS; Amendments | 4/16 Signed by Governor, Chapter 110, Laws 2013 |
| S1173 | CORP; Amendments | 4/10 Signed by Governor, Chapter 78, Laws 2013 |
| S1174 | EORP; Amendments | 4/16 Signed by Governor, Chapter 111, Laws 2013 |
| S1246 | Retirement; PSPRS; Survivor Benefits | Dead |
| S1348 | Public Employees; Activites; Unions; Compensation | Dead |
| S1349 | Paycheck Deductions; Employee Authorization | Dead |
| S1350 | Government Contract Workers; Strike Prohibition | Dead |
| Category: Initiatives, Referendums & Recalls | | |
| H2282 | Recall; Primary; General Election | 4/22 Senate voted to reconsider 4/18 failure to pass; not date set |
| H2314 | Ballot Measures; Hearings; Referendum | Dead |
| Category: Property/Neighborhoods/Public Lands & Buildings | | |
| S1007 | Home Sales; Water Supply Disclosure | Dead |
| H2264 | Tax Incentives; Manufacturers; Self Employment | Dead |
| H2325 | Personal Property; Exemptions | 4/17 Signed by Governor, Chapter 123, Laws 2013 |
| H2335 | Mobile Homes; Recreational Vehicles; Parks | 3/21 Signed by Governor, Chapter 8, Laws 2013 |
| H2337 | Condos; Planned Communities; Rental Properties | Dead |
| Category: Power/Public Utilities | | |
| S1016 | Renewable Energy Source;Net-Metering | Dead |

| | | |
|--|--|--|
| H2153 | Corporation Commission; Energy Efficiency Standards | Dead |
| H2386 | Utilities; Tampering | 4/11 Signed by Governor, Chapter 97, Laws 2013 |
| H2511 | Political subdivisions; Energy Incentives; Prohibition | Dead |
| Category: Professions & Occupations | | |
| H2341 | Board of Technical Registration; Exemptions | 5/2 Signed by Governor, Chapter 171, Laws 2013 |
| Category: Public Buildings | | |
| S1013 | Energy Conservation; Public Buildings | Dead |
| Category: Public Finance | | |
| H2209 | Industrial Development Authorities | 4/29 signed by Governor, Chapter 130, Laws 2013 |
| H2331 | Bonding; Taxation; Expenditures; District Limitations | Dead |
| H2347 | Tax Levy; Bond Costs | 5/7 Signed by Governor, Chapter 188 Laws 2013 |
| Category: Public Health | | |
| H2481 | Permissible Consumer Fireworks; Penalty | 4/30 Vetoed by Governor |
| H2555 | Potentially Violent Persons; Reporting Requirements | Dead |
| Category: Public Records | | |
| H2577 | Public Records Exemption; Critical Infrastructure | Dead |
| Category: Special Taxing Districts | | |
| H2124 | Fire Dist Reorganization Elections | 3/19 from Senate rules with technical amend |
| H2175 | Water Improvement, Sanitary Districts; Liens | Dead |
| H2178 | Flood Control Districts; Administrative Actions | 5/2 Signed by Governor, Chapter 170, Laws 2013 |
| H2242* | Road Improvement & Maintenance Districts | 4/29 Signed by Governor, Chapter 134, Laws 2013 |
| H2338 | Regional Water Augmentation Authorities | Dead |
| H2456 | Revenue Allocation Districts | 3/25 from Senate gov-env do pass |
| H2514 | Economic Recapture Districts | Dead |
| H2526 | Street Lighting Improvement Districts | Dead |
| H2572 | Fire Districts; Financial Standards | 5/21 Conference report adopted; Passed both chambers; ready for governor |
| H2584 | Renewable Energy and Conservation districts | Dead |

S1282 Countywide Fire districts; STUDY COMMITTEE
S1289 Road Improvement & Maintenance Districts
S1340 Municipal Fire Districts

Category: State Government

H2136 Firefighter & EMT Memorial
H2255 Commerce Authority; Oversight
H2283 Government Publications; other than English
H2344 Property Tax Penalty Waiver
H2384 Sales Tax Holidays
H2591 Governmental Reporting; Websites; budgets
H2592 Universal Regulatory Tax Credit
H2599 Procurement Code; amendments
H2618 Police Training; Potentially Violent Persons
S1034 Phoenix Airport; Study Committee
S1231 Public Bldgs; Construction; indemnity
S1283 County Boundary Change; Study Committee
S1324 Critical Infrastructure; Info Disclosure
S1403 United Nations Rio Declaration; Prohibition

Category: Taxation

S1028* Municipal TPT Exemption; Leases; LLC
S1162 Sales Tax; Reduced Reporting Requirements
S1242 Multimedia production; tax incentives
S1273 Alcohol; Drug Abuse; Courts; Treatment
S1284 County General Excise Tax Rate
S1319 Native American Tribes; TPT Revenues
S1351 Destination Mgmt Company; Exemption; Refund
S1435 TPT Exemptions; Modular Data Center
H2111 Investments; Public Monies
H2301 Renewable Energy Credit; Carryover Expansion
H2324* NOW TPT Exemption; Leases; Affiliated Companies
H2362 Affordable Housing Projects; Tax Assessment
H2479 Personal Property Depreciation

4/11 Signed by Governor, Chapter 104, Laws 2013
NOW H2242; SEE H2242
Dead

4/5 Signed by Governor, Chapter 51, Laws 2013
Dead
Dead
3/21 Signed by Governor, Chapter 9, Laws 2013
Dead
4/30 Vetoed by Governor
Dead
5/7 Signed by Governor, Chapter 190, Laws 2013
3/19 from Senate Rules ok
Dead
4/23 from House Rules ok
4/10 Free Conference: Hale Ugenti Thorpe/Crandell Jackson Ward
4/5 Signed by Governor, Chapter 69, Laws 2013
Dead

Dead; SEE HB 2324
4/4 House COW approved with amendment (effective date)
Dead
Dead
3/19 House agri-water no action
Dead
3/28 House CoW approved with amend
4/8 Passed House; ready for Senate action on House amends
3/27 from Senate approps - Now relating to TPT changes
Dead
4/3 Signed by Governor, Chapter 27, Laws 2013
Dead
Dead

| | | |
|-------|---|---|
| H2522 | Native American Tribes; TPT Revenues | Dead |
| H2535 | Independent Functional Utility | 4/29 Signed by Governor, Chapter 153, Laws 2013 |
| H2571 | TPT Export Exemption; Border Centers | No action |
| H2587 | Sales Tax; Service Contract Merchandise | Dead |
| H2590 | Comprehensive TPT; Income Tax Repeal | Dead |
| H2657 | Transaction Privilege Tax Changes | Dead |

Category: Trade & Commerce

| | | |
|-------|-----------------------------------|---|
| H2262 | Scrap Metal Dealers; Registration | 4/29 Signed by Governor, Chapter 137, Laws 2013 |
|-------|-----------------------------------|---|

Category: Transportation

| | | |
|-------|---|---|
| H2119 | Subsidized Transit Ridership; Governmental Entities | Dead |
| H2170 | Stopped School Buses; Lights | 4/10 Signed by Governor, Chapter 71, Laws 2013 |
| H2177 | Electric Bicycles; Gas Bicycles; Definition | Dead |
| H2183 | Traffic Schools; Drivers Licenses; Third Parties | 4/29 Signed by Governor, Chapter 129, Laws 2013 |
| H2184 | Now Vehicle Gross Weight Fees; Exceptions | Drop |
| H2292 | Photo Radar Citations; Service Times | 3/27 Retained on Senate COW |
| H2372 | Motor Vehicle Dealers | 4/10 Signed by Governor, Chapter 73, Laws 2013 |
| H2523 | State Transportation Board; Tribal Representation | Dead |
| H2579 | Photo Radar Prohibition | Failed in House |
| S1197 | Vehicle Mileage Tax; Electric Vehicles | Dead |
| S1327 | Task force; Gas Tax Replacement | Dead |
| S1344 | Highway Construction Projects; JCCR Review | Failed in Senate transportation |
| S1393 | Texting While Driving; Mass Transit | Dead |

Category: Water

| | | |
|-------|---|-------------------------|
| S1058 | Water Banking Authority; Report | Dead |
| S1288 | Arizona Water Protection Fund; Projects | 4/8 House COW approved |
| S1322 | Assured Water Supply Reqs; Exemption | 4/2 from House Rules ok |
| H2338 | Regional Water Augmentation Authorities | Dead |
| H2429 | Water Protection Fund; Annual Funding | Dead; See S1288 |

Category: Constitutional Amends, Referendums/Resolutions

| | | |
|---------|---|------|
| HCR2017 | Ballot Measures; Reauthorization; Exemption | Dead |
|---------|---|------|

SCR1007 Term Limits; Partial Term; Executive
HCR2023 Supporting Renewable Energy
HCR2024 Tax Deductions; Exemptions; Credits; Repeal
END OF REPORT

Dead
Dead
Dead

Memorandum

7.

CITY OF FLAGSTAFF

To: The Honorable Mayor and Council
From: Nicole Woodman, Sustainability Manager
Date: 05/31/2013
Meeting Date: 06/11/2013



TITLE:

Updates on Sustainability Program.

DESIRED OUTCOME:

This memorandum serves as an annual update to City Council on the Sustainability Program calendar year programmatic outcomes.

INFORMATION:

The Sustainability Program develops and implements policies, projects and programming directly related to municipal and community-wide sustainability. The Program builds on the principles of economic, environmental, organizational, and social sustainability. Programming supports the integration of these principles throughout City operations while providing critical resources to the Flagstaff community.

Attachments: Sustainability Program Update
Sustainability Program CY 2012 In Review

City of Flagstaff Sustainability Program Update

June 11, 2013

Sustainability Program – Mission



To serve the community and municipal organization as a catalyst for economic, environmental and social sustainability through policy development, project implementation, leadership, and education

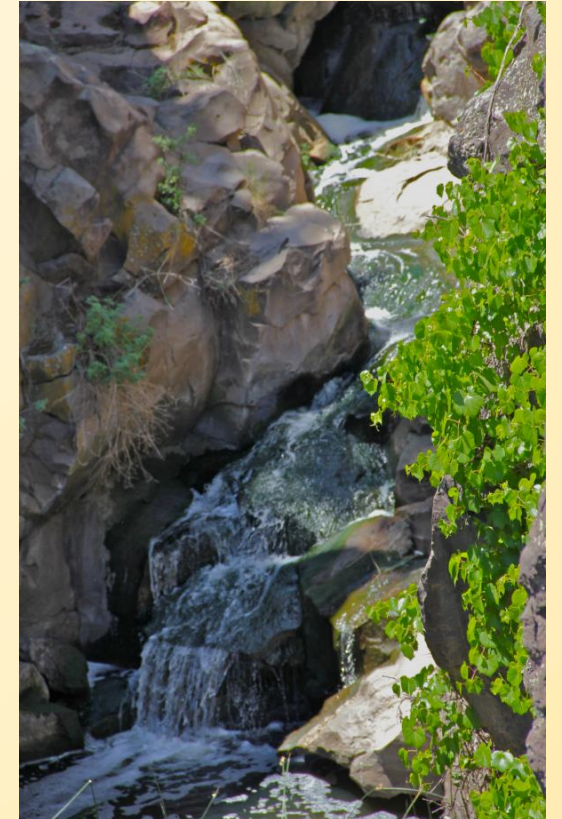
Sustainability Program – Programming Examples

- Community gardens
- Composting
- Energy efficiency
- Renewable energy
- Municipal sustainability
- Open space
- Recycling
- Resiliency and preparedness

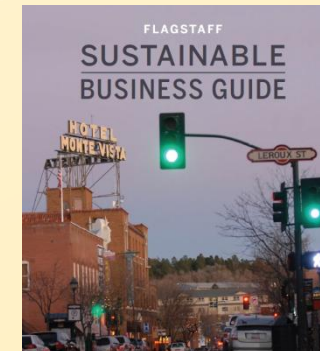
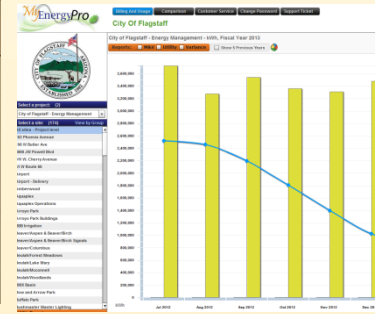
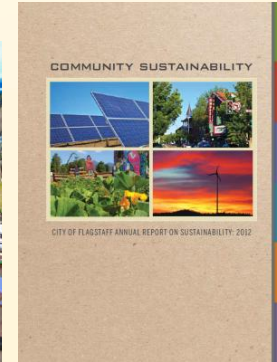


Sustainability Program – 2012 Highlights

- City's first power purchase agreement for 862 kW of solar energy
- Resiliency and Preparedness Study
- Energy Efficiency and Conservation Block Grant close out
- \$2.83 million received in grant funding
- Acquired Picture Canyon as Open Space - land protected under conservation easement
- MyEnergyPro
- Municipal Sustainability Plan benchmarks



Sustainability Program - 2012 Highlights



Sustainability Program –Looking Ahead

- Work with Flagstaff community on programmatic strategic planning
- Install 802 kilowatts of solar (phase 3)
- Apply for Growing Smarter Grant – Observatory Mesa
- Expand residential energy efficiency programming – “Do It Yourself” series
- Establish a 5th community garden in partnership with Housing Section on O’Leary
- Apply for APS Community Grant – 6th annual LED light swap
- Roll out MyEnergyPro to staff

Municipal Sustainability Plan – 2013 & 2014

- Improving effectiveness, reducing consumption and refining outdated processes
 - Increase renewable energy production to 35% of annual municipal energy consumption
 - Improve water consumption tracking mechanisms
 - Remove 20% of underutilized vehicles from fleet
 - Reduce paper purchased 25% based on FY 2010 rates to 939,112 pieces of paper
 - Achieve 80% recovery rate of recyclable materials and 20% contamination rate



Nicole A. Woodman

nwoodman@flagstaffaz.gov

928.213.2149

FLAGSTAFF SUSTAINABILITY PROGRAM

YEAR IN REVIEW: 2012



MISSION STATEMENT

The Flagstaff Sustainability Program serves the community and municipal organization as a catalyst for economic, environmental, and social sustainability through policy development, project implementation, leadership, and education.

BUDGET

Contractuals and commodities for fiscal year 2012-2013 (6/30/2012 – 7/1/2013) is \$84,110. In calendar year, 2012 the program received \$2,829,427 in grant funds to conduct municipal and community programming.

| Calendar Year 2012 Funding Source | Amount |
|---|-------------|
| Arizona Preserve Initiative | \$2,400,000 |
| ARRA – Energy Efficiency and Conservation Block Grant | \$266,677 |
| UniSource Energy Services | \$99,144 |
| Department of Energy | \$40,000 |
| Institute for Sustainable Communities | \$10,980 |
| Arizona Public Service | \$3,500 |
| Urban Sustainability Directors Network | \$2,323 |
| Sonoran Institute | \$2,279 |
| National League of Cities | \$2,020 |
| CLIMAS | \$1,613 |
| Graham Institute | \$625 |
| Rocky Mountain Land Use Institute | \$266 |
| Total | \$2,829,427 |

STAFF

The Sustainability Program employs three permanent full time staff, one grant-funded temporary full time staff, and two full time AmeriCorps Youth in Action staff.

PLANNING, POLICY DEVELOPMENT, AND PROGRAMMING

Sustainability Program staff develop and implement policies, projects, and programming directly related to municipal and community-wide sustainability. The Program builds on the principles of economic, environmental, organizational, and social sustainability. Programming supports the integration of these principles throughout City operations while providing critical resources to the Flagstaff community. Examples of work priorities include:

Adaptation and Management

Monitor, prepare, and plan for the impacts of the changing climate on Flagstaff's local economic, natural, and community resources.

2012 Accomplishments

- Completed the Resiliency and Preparedness Study which assessed the City's risk and vulnerability to weather-related impacts and identified policy, planning, and project opportunities to better prepare for these impacts.

Energy Efficiency

Increase energy efficiencies in the residential sector and prepare long-term energy planning.

2012 Accomplishments

- Successfully administered American Recovery and Reinvestment Act funded Energy Efficiency and Conservation Block Grant.
- Completed 117 residential retrofits.
- 5th annual LED Holiday Light Swap.
- Implemented Energy Rebate Program offering rebates for efficient gas water heaters and furnaces, and attic insulation.

Renewable Energy

Increase municipal renewable energy generation and promote renewable energy and financing models for community.

2012 Accomplishments

- Installed 862 KW in solar energy projects at Wildcat Hill Wastewater Treatment Plant, City Hall, and the Flagstaff Aquaplex through a power purchase agreement.
- Secured utility incentives for next phase of solar energy systems.

Municipal Sustainability Plan

Improve the municipal organization by increasing effectiveness, reducing consumption, and enhancing employee satisfaction.

2012 Accomplishments

- Implemented “Be Resourceful” employee engagement campaign focused on resource consumption and accountable use of City resources.
- Developed Smart Driver Training in partnership with Human Resources, Risk Management, and Fleet Management to increase driving efficiencies and safety.
- Implemented online energy management system to identify opportunities for optimal performance and increased efficiency.
- Completed Fleet Utilization Audit in which over 10% of fleet was removed or repurposed.

2012 IN THE NUMBERS

| | | |
|---|---|--|
| Residential Retrofits | 117 households (264 residents) served | |
| Annual estimated savings: \$46,971 | Annual estimated energy savings: 440,533 kWh | Annual estimated greenhouse gas emissions saved: 678,420 lbs CO ₂ e |
| LED Holiday Light Swap | 1,370 boxes LED lights distributed, 349 households (1,007 residents) served | |
| Annual estimated utility savings: \$1,640 | Annual estimated energy savings: 15,620 kWh | Annual estimated greenhouse gas emissions saved: 24,054 lbs CO ₂ e |
| Recycling/Composting Outreach | 1,210 community members engaged in recycling and composting education | |
| Municipal Energy Efficiency | Implemented online energy management system to identify opportunities for optimal performance and increased efficiency | |
| Renewable Energy | Installed 3 solar energy projects that will generate 862 KW annually | |
| Community Agriculture | 99 community gardeners. Estimated food production: 3,708 pounds | |
| Earth Day 2012 | 1,500 community members participated in the celebration, including more than 100 community service project participants | |
| Sustainable Home Tour | 160 community members participated in the tour | |
| Bike to Work Week | 33 City employees biked to work 114 times, covering a total of almost 800 miles | |

Open Spaces

Support the acquisition, management, protection, and conservation of open space as a community asset.

2012 Accomplishments

- Acquired 478 acres of conservation land at Picture Canyon with a \$2.4 million grant from Arizona State Parks and \$2.5 million voter initiated and approved Open Spaces bond.

Quality of Life

Increase community resiliency and social well-being.

2012 Accomplishments

- Hosted 12 free community garden workshops in partnership with Flagstaff Foodlink.
- 99 community gardeners helped to harvest 3,708 pounds of food in 3 community gardens.
- Hosted Flagstaff Earth Day Celebration and Service Projects.
- Co-hosted Sustainable Home Tour with Coconino County.
- Conducted 24 Sustainable Business Assessments in partnership with NAU Net Impact. Assessments identified changes businesses can make to increase savings and decrease utility costs, while providing students with training and real world applications of business administration.

Recycling and Composting

Increase recycling rates and decrease contamination throughout the municipal organization and community. Provide education in the residential, education, and commercial sectors.

2012 Accomplishments

- Implemented new recycling customer informational mailings.
- Provided recycling outreach to more than 1,200 community members.
- Collected 2,477 pounds of cell phones, MP3 players, CDs/DVDs, ink cartridges, and batteries at the Main Public Library community recycling collection bin.
- Provided education on single-use plastic bag reduction and recycling at area grocery stores in celebration of America Recycles Day.

Community Partnerships

Build and maintain partnerships to foster community-wide sustainability.

2012 Accomplishments

- A League of Neighborhoods - Flagstaff
- AmeriCorps Youth in Action
- Arizona Public Service (APS)
- Coconino Community College - Community and Corporate Learning
- Coconino County
- Flagstaff FoodLink
- Neighborhood and Community Associations
- Northern Arizona Council of Governments
- Northern Arizona University
- Sustainable Economic Development Initiative
- UniSource Energy Services



211 West Aspen Ave
Flagstaff, AZ 86001
928.213.2153

www.flagstaff.az.gov/sustainable



Memorandum

8.

CITY OF FLAGSTAFF

To: The Honorable Mayor and Council
From: Elizabeth A. Burke, City Clerk
Date: 06/03/2013
Meeting Date: 06/11/2013



TITLE:

Discussion of 2014 Election Issues.

DESIRED OUTCOME:

Discuss and provide direction.

INFORMATION:

Pursuant to Arizona Revised Statutes §16-204, beginning with 2014 elections all candidate elections within the State of Arizona are to be held in the fall, including those of charter cities. Currently, this legislation is being challenged in the Arizona courts by the cities of Phoenix and Tucson, but a final ruling is not expected until the latter part of this year or early in 2014. The Interim City Attorney will brief the Council on the current status of this litigation and staff will present an election calendar for next year and review some of the challenges that this new legislation will have on the City of Flagstaff's candidate elections. Additionally, we have invited Patty Hansen, Coconino County Recorder, to attend the meeting should there be any questions raised with respect to coordination with the County. We have attached an overview of the 2014 Election Issues as well as a 2014 Candidate/Issue Election calendar for your information.

Attachments: Election Issues
Calendar

2013/2014 ELECTION ISSUES

1. DATES FOR ELECTION(S)

- A. Next candidate election is in 2014
- B. Beginning in 2014, ARS §16-204 requires all candidate elections to be held in the fall.
 - i. Currently being challenged by cities of Tucson and Phoenix
 - ii. Ruling may not be determined until late 2013/early 2014

2. OPTIONS FOR CITY FOR FALL ELECTIONS

A. City Conducts Own Elections

- i. No infrastructure in place (could contract for mailing of ballots / what about processing?)
- ii. County would need to set up City access to voter registration records for accepting & rejecting ballots
- iii. Additional staff and space for staff, and secure space for equipment and storage
- iv. Ballot tabulation equipment
 - a. County would be using their own equipment
 - b. City purchases their own equipment
 - c. Personnel, training, and additional space for equipment, space, and personnel
 - d. Substantial expense

B. County Conducts Separate Vote-by-Mail Election for City

- i. Board of Supervisors would have to agree
- ii. Not sure County could conduct two separate elections at the same time
 - a. One polling place – one vote-by-mail
- iii. **Very confusing for voters** – never been done in Coconino County

C. City Races are Added to County Ballot

- i. Unaffiliated voter issue
 - a. Changes voter demographics for Primary election
- ii. City's late candidate filing deadline creates timing problems (see below)
 - a. Ballot printing
 - b. UOCAVA (Overseas) mailing
 - c. Testing ballots prior to early voting beginning & distribution of early voting ballots & supplies to early voting sites

RECOMMENDED ➡

3. 08/26/2014 PRIMARY ELECTION DATE

A. Candidate Filing Dates

- i. City: 05/28/14 – 06/27/14
County: 04/28/14 – 05/28/14
- ii. UOCAVA ballots have to be mailed out 45 days prior: 07/17/14

B. With a Partisan Primary

- i. Unaffiliated PEVL (Permanent Early Voter List) voters have to tell Elections Office what ballot they want OR THEY DO NOT GET MAILED A BALLOT
 - a. 05/28/2014 – 90-day notice to PEVL w/party ballot return notice
- ii. County will need to do non-partisan ballot for those only wanting to vote in City election
- iii. City candidates will not be able to send observers because only political parties can designate observers for ballot counting

C. Preclearance: Will need to be done by the City because elections are changing

4. QUESTIONS TO BE ADDRESS

A. 2014 Candidate Primary Election? March or August

B. Council Packets: How long do we want candidate packets available?

- i. History: 3 ½ Months

C. IF courts rule that city elections are a local concern, Charter Amendment: At some point need Charter Amendment to provide for 90-120 days vs. 60-90 for filing of petitions/papers

CANDIDATE/ISSUE ELECTION DATES - 2014

| | SPRING ELECTION CYCLE | | FALL ELECTION CYCLE | |
|--|-----------------------|---------------------|---------------------|---------------------|
| | 03/11/2014 | 05/20/2014 | 08/26/2014 | 11/04/2014 |
| Resolution calling Election (latest date) | 09/17/2013 | | 03/18/2014 | |
| Candidate Packets available (based on past practice of 3.5 months prior to due date) | 09/30/2013 | | 03/31/2014 | |
| Completed packets filed w/Clerk's Office | 12/11/13 – 01/10/14 | | 05/28/14 – 06/27/14 | |
| RP – Receive Pro/Con Statements | | 01/21/14 – 02/19/14 | | 07/07/14 – 08/06/14 |
| RP – Final PP wording to EOS | | 02/20/14 | | 08/07/14 |
| RP - Mail PP to registered voters | | 04/21/14 | | 10/06/14 |
| UOCAVA ballots mailed out | 01/24/14 | 04/05/14 | 07/12/14 | 09/20/14 |
| Early Ballots must be ready | 02/06/14 | 04/17/14 | 07/24/14 | 10/02/14 |
| Ballots mailed out for Mail Ballot Election | 02/18/14* | 04/28/14* | 08/04/14* | 10/13/14* |
| ELECTION DAY | 03/11/14 | 05/20/14 | 08/26/14 | 11/04/14 |
| Canvass Election results (send final list to EOS) | 03/17/14 – 03/31/14 | | 09/01/14 – 09/15/14 | |

*Approximate date

Memorandum

9.

CITY OF FLAGSTAFF

To: The Honorable Mayor and Council
From: Rick Compau, Purchasing Director
Date: 06/06/2013
Meeting Date: 06/11/2013



TITLE:

*** Presentation on the City of Flagstaff's Procurement Code Manual.**

DESIRED OUTCOME:

For review and to provide staff direction with regard to subject matter within the Procurement Code Manual that are the bigger, more important, discretionary policy decisions.

INFORMATION:

The purpose for developing this Procurement Code Manual is to provide comprehensive fundamental principles, practices and guidelines for how the City Procurement process works. The objectives of this Procurement Code Manual is to outline various procedures in order to provide and preserve a high standard of integrity and transparency with the City's procurement process and demonstrate leadership in the stewardship of taxpayer dollars involving the procurement of materials, services and construction.

The City presented Articles 1 through 9 at the March 26, 2013 Council work session and Articles 10 through 13 at the April 9, 2013 Council work session. The City intends to continue with a final presentation of the Procurement Code Manual with one (1) more Council work session, as follows:

3rd Session-- June 11, 2013 -- Review of the following Articles that pertain to subject matter that are the bigger, more important, discretionary policy decisions:

Article 7 (Recap of quotes from "Local Vendors" and "Local Vendor" definitions);
Article 10 (Recap of "Local Preference");
Article 14 (Value Added Knowledge and Experience); and
Articles 29 and 30 (Bid protests and hearings).

Attachments: Procurement Code Power Point
Draft Procurement Code Manual

CITY OF FLAGSTAFF

PROCUREMENT CODE MANUAL DISCRETIONARY POLICY DECISIONS

MANAGEMENT SERVICES DIVISION PURCHASING SECTION

Council Presentation

June 11, 2013

ARTICLE 7

- Related to purchases less than \$50,000.

- Draft Procurement Code Manual provides that staff make reasonable good faith efforts to obtain quotes and purchase from local vendors.
- A different definition of a local vendor would need to be adopted to justify a local preference, if approved.

Option 1: Keep current draft definition of “Local Vendor”.

- “Local Vendor” means any individual or company with a valid business license issued by the City of Flagstaff and a business location within the City limits of Flagstaff.

Option 2: Keep current draft definition of “Local Vendor”, but incorporate additional language that requires that the “Local Vendor” has paid City sales tax for at least one year.

Staff Recommendation: Option 2, as this is considered a generally accepted definition of “Local vendor”.

ARTICLE 10

- Related to Invitation For Bids (IFB) for contracts exceeding \$50,000

Option 1: Adopt Procurement Code Manual after completion of presentations.

Staff Recommendation: Decide issue of local preference later after an independent study and further evaluation of other Citys' practices.

Option 2: Offer telephonic conferencing for Pre-Bid and Pre-Proposal Meetings.

Staff Recommendation: This is consistent with current City practice.

ARTICLE 14

- Related to value added knowledge and experience (VAKE) for public works construction projects – Request For Statements of Qualifications (RSOQ), this is a (non-bid process) 10 pts./10% on 100 point scale.
 - The Purchasing Section put together a task force on VAKE back in July 2010.
 - The task force was comprised of local Flagstaff professional design firms and the Flagstaff Chamber of Commerce.
 - Task force provided input/feedback and assisted in the development of VAKE as an evaluation criteria.
 - The current VAKE was Presented to Council on February 15, 2011 and accepted.

ARTICLE 14 (Cont'd)

- Current language, with Vice Mayor Evan's proposed changes, to the VAKE (10 PTS./10% on a 100 point scale) Note: new language in caps and deletions are stricken.
 - The team hired by the City must be familiar with local community needs, standards, historical challenges, local codes and site conditions. Additionally, the team must be accessible to City staff AND CITIZENS during the contracted design and construction phase of the project.
 1. Resolution of issues may be part of the project work. Describe your response protocol and how the firm's Project Manager (or responsible person in charge) will be accessible to City staff AND CITIZENS.

ARTICLE 14 (Cont'd)

2. Explain why your firm is particularly qualified to perform your services in the Flagstaff area. Demonstrate the Project Manager's (or responsible person in charge) knowledge of local geology, climate, practices, materials and codes by specifying in the submittal their experience working in the Northern Arizona region or in a region with geology, climate and conditions similar to those of the City of Flagstaff.
 - a. Briefly describe two of your most recent projects that were performed in the greater Flagstaff area ~~or an area that presents geologically and climatologically similar characteristics~~ AS DEFINED BY THE REGIONAL PLAN AND/OR FMPO BOUNDARIES.
3. During construction, what is the response time by a qualified person (decision making authority) to meet IN PERSON and resolve concerns and to accommodate unforeseen issues? (5 points/5% if less than 30 minutes, 0 points/0% if over 30 minutes.

ARTICLE 14 (Cont'd)

Option 1: Implement Vice Mayor Evan's proposed changes to the current VAKE.

Option 2: Leave VAKE equal to 10 points/10%. The Task Force supported the 10 points/10%

Option 3: Authorize the Purchasing Director to approve VAKE for more than 10 points/10% when appropriate.

Option 4: Authorize the Purchasing Director to establish a specific weight percentage for each VAKE sub-section, not to exceed a total of 10 points/10% for all of VAKE. (this would help reduce subjectivity in scoring)

- (i.e., vertical construction would have more importance on cold weather climate, such as snow load and insulation than availability to City staff OR recent projects completed by Contractor/Design Firm may have actually been in Flagstaff, as opposed to another region outside of Flagstaff that presented geologically and climatologically similar characteristics.

Staff Recommendation: Options 1, 2 and 4.

ARTICLE 29/30

- Related to Bid Protests and Hearings where a Bidder or Proposer is aggrieved in connection with any aspect of a solicitation prior to or after award of a contract.

- An aggrieved Bidder or Proposer has no property interest in the award of a contract, but does have the option of filing an action in court, if the City's decision is arbitrary and capricious.

Option 1: Allow an aggrieved Bidder or Proposer to file a protest with the Purchasing Director.

- Purchasing Director meets with aggrieved Bidder or Proposer to discuss their concerns/issues; and
- Purchasing Director responds in writing.

Option 2: Allow an aggrieved Bidder or Proposer to file a protest with the Purchasing Director, who responds in writing and then allow either further appeal through a complete due process hearing either before the City Manager or another third party.

Staff Recommendation: Option 1. With regard to Option 2, it is staff's experience that a full hearing is equivalent to preparing for and conducting a trial. The time and expense is not justifiable.

- The Purchasing Director is always willing to listen and consider information provided by the aggrieved Bidder or Proposer;
- In some cases, where merit is apparent, the Purchasing Director will recommend the rejection of all bids or proposals and re-advertise the solicitation if necessary to avoid litigation and protect the integrity of the solicitation process.
- The aggrieved Bidder or Proposer still has a potential remedy in court.



PROCUREMENT CODE MANUAL

***CITY OF FLAGSTAFF
PURCHASING SECTION***

***CITY OF FLAGSTAFF
211 W. ASPEN AVE.
FLAGSTAFF, ARIZONA 86001***

TABLE OF CONTENTS

| | | |
|-------------------|--|-----------|
| ARTICLE 1 | PURPOSE; DIRECTOR AUTHORITY and DUTIES; DELEGATION.... | 5 |
| ARTICLE 2 | APPLICABILITY..... | 6 |
| ARTICLE 3 | SUPPLEMENTARY GENERAL PRINCIPLES OF LAW..... | 6 |
| ARTICLE 4 | DEFINITIONS..... | 7 |
| ARTICLE 5 | UNAUTHORIZED PURCHASE..... | 12 |
| ARTICLE 6 | DETERMINATIONS..... | 13 |
| ARTICLE 7 | INFORMAL and FORMAL PROCUREMENT LIMITS; QUOTE FILE REQUIREMENTS..... | 13 |
| Sec. 7.1 | Informal Procurement Process..... | 13 |
| Sec. 7.2 | Quote File Requirements..... | 15 |
| ARTICLE 8 | AVAILABLE FUNDS..... | 15 |
| Sec. 8.1 | Available Funds Identification..... | 16 |
| Sec. 8.2 | Petty Cash..... | 16 |
| Sec. 8.3 | Procurement Cards..... | 16 |
| ARTICLE 9 | FORMAL PROCUREMENT PROCESS..... | 16 |
| ARTICLE 10 | FORMAL PROCUREMENT PROCESS—INVITATION FOR BIDS..... | 16 |
| Sec. 10.1 | Invitation for Bids Determination..... | 16 |
| Sec. 10.2 | Request for Issuance of an Invitation for Bids..... | 16 |
| Sec. 10.3 | Invitation for Bids..... | 17 |
| Sec. 10.4 | Invitation for Bids, Format, Content, Public Inspection..... | 18 |
| Sec. 10.5 | Pre-bid Conference..... | 18 |
| Sec. 10.6 | Addendum to Invitation for Bids..... | 18 |
| Sec. 10.7 | Pre-opening Modifications or Withdrawal of Bids..... | 19 |
| Sec. 10.8 | Late Bids, Late Withdrawals, and Late Modifications..... | 19 |
| Sec. 10.9 | Receipt, Opening, Recording of Bids, and Confidential Information..... | 19 |
| Sec. 10.10 | Mistakes in Bids..... | 20 |
| Sec. 10.11 | Bid Evaluation and Award..... | 21 |
| Sec. 10.12 | Only One Bid Received..... | 22 |
| Sec. 10.13 | Multi-step Sealed Bidding..... | 22 |
| Sec. 10.14 | Phase One of Multi-step Sealed Bidding..... | 22 |
| Sec. 10.15 | Phase Two of Multi-step Sealed Bidding..... | 23 |
| ARTICLE 11 | FORMAL PROCUREMENT PROCESS—REQUEST for PROPOSALS..... | 23 |
| Sec. 11.1 | Request for Proposals Determination..... | 24 |
| Sec. 11.2 | Request for Issuance of a Request for Proposals..... | 24 |
| Sec. 11.3 | Request for Proposals..... | 24 |
| Sec. 11.4 | Solicitation Opportunities..... | 25 |
| Sec. 11.5 | Pre-proposal Conferences..... | 26 |
| Sec. 11.6 | Late Proposals, Modifications or Withdrawals..... | 26 |
| Sec. 11.7 | Receipt of Proposals..... | 26 |
| Sec. 11.8 | Evaluation of Proposals..... | 27 |
| Sec. 11.9 | Discussions With Responsible Proposers and Revisions to Proposal... | 27 |
| Sec. 11.10 | Best and Final Offers; Tied Proposals..... | 28 |
| Sec. 11.11 | Mistakes in Proposal Response..... | 28 |
| Sec. 11.12 | Contract Award for Requests for Proposals..... | 28 |
| ARTICLE 12 | FORMAL PROCUREMENT PROCESS—PROFESSIONAL DESIGN SERVICES, CAPITAL IMPROVEMENTS/CONSTRUCTION and CONSTRUCTION SERVICES..... | 29 |
| Sec. 12.1 | Request for Solicitation Determination..... | 29 |
| Sec. 12.2 | Request for Issuance of a Formal Solicitation..... | 29 |
| Sec. 12.3 | Professional Design Services..... | 29 |

| | | |
|-------------------|---|-----------|
| Sec. 12.4 | Capital Improvements/Construction..... | 30 |
| Sec. 12.5 | Construction Services..... | 31 |
| ARTICLE 13 | FORMAL SOLICITATION ADVERTISING..... | 32 |
| ARTICLE 14 | EVALUATION/SELECTION COMMITTEE for MATERIALS, SERVICES, PROFESSIONAL DESIGN SERVICES and CONSTRUCTION..... | 33 |
| Sec. 14.1 | Guidelines for Evaluation/Selection Committee; Selection Process..... | 33 |
| Sec. 14.2 | Guidelines for the Selection of Evaluation Criteria Used in a Solicitation Advertised as an Invitation for Bids, Request for Proposals or a Request for Statements of Qualifications..... | 34 |
| ARTICLE 15 | CANCELLATION or REJECTION OF SOLICITATIONS..... | 35 |
| Sec. 15.1 | Solicitation Statement..... | 35 |
| Sec. 15.2 | Cancellation of Solicitation <u>Before</u> Bids or Proposals Are Due..... | 35 |
| Sec. 15.3 | Cancellation of Solicitation <u>After</u> Bids or Proposals Are Due..... | 36 |
| Sec. 15.4 | Rejection of All Solicitations..... | 36 |
| Sec. 15.5 | Procurement Procedural Irregularity..... | 36 |
| ARTICLE 16 | DETERMINATION OF BIDDER and PROPOSER RESPONSIBILITY... 36 | 36 |
| Sec. 16.1 | Request for Review of Responsibility..... | 37 |
| ARTICLE 17 | COST or PRICING DATA..... | 37 |
| Sec. 17.1 | Reimbursement..... | 37 |
| ARTICLE 18 | SOLE SOURCE..... | 38 |
| Sec. 18.1 | Sole Source; Evidence Request..... | 38 |
| Sec. 18.2 | Sole Source Justification..... | 38 |
| ARTICLE 19 | EMERGENCY PURCHASE..... | 38 |
| Sec. 19.1 | Conditions for Emergency Purchase..... | 39 |
| Sec. 19.2 | Emergency Purchase Procedure..... | 39 |
| ARTICLE 20 | PROCUREMENTS FROM SOLICITATIONS by OTHER GOVERNMENTAL ENTITIES..... | 39 |
| Sec. 20.1 | Existing Contracts..... | 40 |
| Sec. 20.2 | Joint Solicitations..... | 40 |
| Sec. 20.3 | Cooperative Purchasing Contract Awards..... | 40 |
| Sec. 20.4 | Purchases From Existing Contracts..... | 41 |
| Sec. 20.5 | Request for Joint Solicitation..... | 41 |
| Sec. 20.6 | Commitment to Purchase or Participate..... | 41 |
| ARTICLE 21 | BID and CONTRACT SECURITY..... | 41 |
| Sec. 21.1 | Bid Bond..... | 41 |
| Sec. 21.2 | Performance and Payment Bonds..... | 42 |
| Sec. 21.3 | Collection of Bid Bonds..... | 42 |
| Sec. 21.4 | Enforcement of Performance Bonds..... | 42 |
| ARTICLE 22 | MULTI-TERM CONTRACTS..... | 42 |
| Sec. 22.1 | Determination for Contract Periods Over 5 years..... | 43 |
| Sec. 22.2 | Establishment of Contract Period..... | 43 |
| Sec. 22.3 | Authority to Renew..... | 43 |
| ARTICLE 23 | RIGHT to INSPECT; AUDIT..... | 43 |
| ARTICLE 24 | CONTRACT PROVISIONS and AMENDMENTS..... | 43 |
| Sec. 24.1 | Standard Provisions..... | 43 |
| Sec. 24.2 | Effective Dates..... | 44 |
| Sec. 24.3 | Contract Review Process..... | 44 |
| Sec. 24.4 | Contract Preparation Process..... | 44 |
| Sec. 24.5 | Contracts to be Maintained by the City Clerk..... | 44 |
| Sec. 24.6 | Contract Amendments..... | 44 |
| Sec. 24.7 | Contract Amendment Preparation..... | 45 |
| Sec. 24.8 | Contract Amendment Process..... | 45 |
| ARTICLE 25 | CHANGE ORDERS..... | 45 |
| Sec. 25.1 | Change Order Process..... | 46 |

| | | |
|-------------------|---|-----------|
| Sec. 25.2 | Change Order Conditions..... | 47 |
| Sec. 25.3 | Change Order Membership..... | 47 |
| ARTICLE 26 | AWARD of CONTRACT..... | 48 |
| Sec. 26.1 | Notice of Intent to Award..... | 48 |
| ARTICLE 27 | SPECIFICATION GUIDELINES..... | 48 |
| Sec. 27.1 | Content of Specifications..... | 48 |
| Sec. 27.2 | Samples/Demonstrations..... | 48 |
| Sec. 27.3 | Specification Approval..... | 49 |
| Sec. 27.4 | Specification Guidelines..... | 49 |
| Sec. 27.5 | Maximum Practicable Competition; Brand Name or approved Alternate Qualified Products List..... | 49 |
| Sec. 27.6 | Inspections and Tests..... | 50 |
| Sec. 27.7 | Proprietary Specifications..... | 50 |
| Sec. 27.8 | Product Testing Guidelines..... | 51 |
| Sec. 27.9 | Specifications Prepared by Architects; Engineers; Consultants..... | 51 |
| Sec. 27.10 | Preparation of Specifications by Persons Other Than City Personnel..... | 51 |
| Sec. 27.11 | Recycled and Energy Consumptive Materials; Life Cycle Costing; Environmental Procurement..... | 52 |
| Sec. 27.12 | Environmental/Sustainable Procurement Policy..... | 52 |
| ARTICLE 28 | DISPOSITION of SURPLUS PERSONAL PROPERTY..... | 53 |
| Sec. 28.1 | Organizational Need..... | 54 |
| Sec. 28.2 | Surplus Property Listing..... | 54 |
| Sec. 28.3 | Surplus Property Trade-In Allowance..... | 54 |
| Sec. 28.4 | Proceeds From Sales..... | 54 |
| Sec. 28.5 | Donation of Surplus Property..... | 54 |
| ARTICLE 29 | PROTESTS..... | 54 |
| Sec. 29.1 | Time for Filing Protests..... | 54 |
| Sec. 29.2 | Filing of a Protest..... | 55 |
| Sec. 29.3 | Stay of Procurements During the Protest..... | 55 |
| Sec. 29.4 | Confidential Information..... | 55 |
| Sec. 29.5 | Remedies..... | 55 |
| Sec. 29.6 | Dismissal Before Hearing..... | 56 |
| ARTICLE 30 | HEARINGS..... | 56 |
| Sec. 30.1 | Request for Hearing..... | 56 |
| Sec. 30.2 | Rights and Responsibilities..... | 56 |
| Sec. 30.3 | Ex Parte Communications..... | 57 |
| Sec. 30.4 | Conduct of Hearing..... | 57 |
| Sec. 30.5 | Failure of Party to Appear for Hearing..... | 58 |
| Sec. 30.6 | Witnesses..... | 58 |
| Sec. 30.7 | Burden of Persuasion..... | 58 |
| Sec. 30.8 | Disruptions..... | 58 |
| Sec. 30.9 | Hearing Record..... | 58 |
| Sec. 30.10 | Finality of Hearing Officer's Findings..... | 59 |
| ARTICLE 31 | SUSPENSION; DEBARMENT..... | 59 |
| Sec. 31.1 | Resolution of Contract Controversies-Materials, Services and Construction Contracts..... | 60 |
| ARTICLE 32 | SEVERABILITY..... | 60 |

ARTICLE 1 **PURPOSE; DIRECTOR AUTHORITY AND DUTIES; DELEGATION (A.R.S. 41-2511 and 41-2512)**

A. Purpose.

The City operates as a centralized Purchasing Section under the supervision of a Purchasing Director ("Director"), which shall have for its purpose the purchase of materials, services, and construction for the City and shall:

1. Establish efficient procurement, inventory and disposition of surplus personal property procedures;
2. Purchase all materials, services, and construction for the City at the lowest possible cost commensurate with quality needed;
3. Exercise positive financial control over purchases;
4. Clearly define authority for the purchasing function;
5. Assure the quality of purchases; and
6. Provide procurement assistance to all City Departments and Divisions;

B. Director Authority and Duties.

The Director shall:

1. Except as otherwise provided in this Procurement Code Manual, the Director shall establish rules consistent with this Procurement Code Manual, governing the procurement of all materials, services and construction to be procured by the City. Rules and procedures for the procurement of construction and professional design services, shall also be consistent with Arizona Revised Statutes, (A.R.S.) Title 34, Public Buildings and Improvements.
2. Except as otherwise provided in this Procurement Code Manual, procure all materials, services and construction required by any Department or Division of the City in accordance with the provisions of this Procurement Code Manual and such procurement rules as may be established pursuant to this Procurement Code Manual.
3. Establish rules and procedures for the management of inventories of material and surplus personal property belonging to the City.
4. Sell, trade or otherwise dispose of surplus personal property belonging to the City in compliance with requirements of the City Charter.
5. Establish and maintain programs for the inspection, testing and acceptance of materials, services and construction.
6. Discourage collusive and restrictive bidding and endeavor to obtain as fair and open competition as possible on all purchases.
7. Prepare and recommend to the City Council revisions and amendments to this Procurement Code Manual.

8. Keep informed of current developments in the field of purchasing, prices, market conditions and new products.
 9. Prescribe and maintain such procedures as necessary for the operation of the centralized procurement function.
 10. Maintain a Bidder's list, material, service and construction references and all records needed for the efficient operations of the centralized purchasing function.
- C. Delegation of Authority.

The Director hereby delegates the powers and duties of the Director authorized by this Procurement Code Manual to the Purchasing Section Staff.

ARTICLE 2 **APPLICABILITY (A.R.S. 41-2501)**

- A. The provisions of this Procurement Code Manual apply only to procurements initiated after its effective date. The City Attorney's office, in consultation with the Director, shall interpret the provisions the provisions of this code in the event of any ambiguity.
- B. The provisions of this Procurement Code Manual are applicable to every purchase of materials, services and construction with public monies, including federal grants, and federal assistance monies except as otherwise provided in this section. Nothing in this Procurement Code Manual shall supersede the **Flagstaff City Charter**, or the terms and conditions of any grant, gift or bequest accepted by the City Council. If the procurement involves the expenditure of grants, federal assistance or contract monies or is subject to state law, the director shall comply with federal and state law and authorized regulations which are mandatorily applicable and which may not be reflected in this Procurement Code Manual.
- C. Contracts for construction, as defined in Article 12, and contracts for the services of architects or engineers to be used in connection with construction contracts shall be governed by the provisions of A.R.S. Title 34, Public Buildings and Improvements. Procedures and other provisions of this Procurement Code Manual, and rules established pursuant thereto, shall apply to such contracts only to the extent such Procurement Code Manual provisions, procedures and rules are not inconsistent with A.R.S. Title 34, Public Buildings and Improvements.
- D. Professional services, such as appraisals, title searches/reports and policies, used in support of Real Property Transactions, are subject to all applicable Sections of this Procurement Code Manual.
- E. The following contracts are not subject to this Procurement Code Manual:
 1. Intergovernmental agreements;
 2. Agreements negotiated by the Risk Management Manager or the City Attorney for the settlement of litigation or threatened litigation; and
 3. Easement Agreements or Right of Entry Agreements.

ARTICLE 3 **SUPPLEMENTARY GENERAL PRINCIPLES OF LAW (City Charter)**

Nothing in this Procurement Code Manual shall supersede Article VIII, "Contracts", Sections 1 through 10, of the Flagstaff City Charter.

ARTICLE 4 **DEFINITIONS (A.R.S. 41-2503)**

The words defined in this section shall have the meanings set forth below whenever they appear in this Procurement Code Manual, unless the context in which they are used clearly requires a different meaning or a different definition is prescribed for a particular provision.

Addendum means any formal notification of any revision to pertinent information contained in either an informal or formal solicitation.

Advantageous means in the best interest of the City.

Affiliate means any person whose governing instruments require it to be bound by the decision of another person or whose governing board includes enough voting representatives of the other person to cause or prevent action, whether or not the power is exercised. It may also include persons doing business under a variety of names, or where there is a parent-subsidary relationship between persons.

Alternative Project Delivery Methods means construction related projects that utilize Construction-Manager-At-Risk, Design-Build or Job-Order-Contracting, instead of the traditional Design-Bid-Build method of construction project delivery.

Authorized Purchase means any purchase that has been requisitioned and that has gone through the appropriate approval processes.

Best and Final Offer means a formal process, conducted by the Purchasing Agent as the last phase of a Request for Proposals process after formal discussions and/or Proposer presentations are conducted.

Best Interests of the City means advantageous to the City.

Brand Name or Approved Alternate Specification means a specification that uses one (1) or more manufacturers' names or catalogue numbers to describe the standard of quality, performance, and other characteristics needed to meet City requirements, and that provides for the submission of equivalent products.

Brand Name Specification means a specification limited to one (1) or more items by manufacturers name or catalogue numbers.

Business means any corporation, partnership, individual, sole proprietorship, joint stock company, joint venture or any other private legal entity.

Capital Improvements means construction related projects involving the process of building, altering, repairing, improving or demolishing any public structure or building or other public improvements of any kind to any public real property.

Change Order means a written order, approved by the City's Change Order Committee and signed by an authorized agent of the City, which directs the contractor or the City, to make changes that are authorized by the change order clause of the original contract.

Construction means the process of building, altering, repairing, improving or demolishing any public structure or building, or other public improvements of any kind to any public real property. Construction does not include the routine operation, routine repair, or routine maintenance of existing structures, buildings or real property.

Construction Manager means a person who provides management and/or technical services required to implement a capital project pursuant to the project guidelines.

Construction-Manager-At-Risk (CMAR) means a project delivery method in which:

- (A) There is a separate contract for design services and a separate contract for construction services.
- (B) The contract for construction services may be entered into at the same time as the contract for design or at a later time.
- (C) Design and construction of the project may be in sequential phases or concurrent phases.
- (D) Finance services, maintenance services, operations services, preconstruction services and other related services may be included.

Contract means all types of City agreements, regardless of what they may be called, for the procurement of materials, services, or construction or the disposition of personal property.

Contract Modification means any written alteration in the terms and conditions of any contract accomplished by mutual action of the parties to the contract.

Contractor means any person who has a contract with the City.

Cost Data means information concerning the actual or estimated cost of labor, material, overhead, and other cost elements that have been actually incurred or that are expected to be incurred by the contractor in performing the contract.

Data means documented information, regardless of form or characteristic.

Days mean calendar days unless otherwise specified.

Debarment means an action taken by the director, under the provisions of this Procurement Code Manual, to prohibit a person from participating in City procurements for three (3) years.

Department/Division means an organizational work unit as defined by the City of Flagstaff Organization Chart.

Designee means a duly authorized representative of a person holding a superior position.

Design-Build (DB) means a project delivery method in which:

- (A) There is a single contract for design services and construction services.
- (B) Design and construction of the project may be in sequential phases or concurrent phases.
- (C) Finance services, maintenance services, operations services, preconstruction services and other related services may be included.

Design-Bid-Build (DBB) means a project delivery method in which:

- (A) There is a sequential award of two separate contracts.
- (B) The first contract is for design services.
- (C) The second contract is for construction.

- (D) Design and construction of the project are in sequential phases.
- (E) Finance services, maintenance services and operations services are not included.

Director means the Director of the Purchasing Section or designee.

Employee means an individual drawing a salary through the payroll process of the City whether elected or not.

End User means any City employee who will actually be using the material or service being requested.

Field Order means a paperless purchase order number given out by the Purchasing Section for Immediate, necessary, purchases, under one thousand dollars (\$1,000), by City staff who are in need of various materials needed to repair fixtures or equipment.

Interested Party means an actual or prospective Bidder or Proposer whose economic interest may be affected substantially and directly by the issuance of a solicitation, the award of a contract or by the failure to award a contract. Whether an actual or prospective Bidder or Proposer has an economic interest will depend upon the circumstances of each case.

Invitation for Bids (IFB) means all documents, whether attached or incorporated by reference, which are used for soliciting formal bids in accordance with the procedures prescribed in this Procurement Code Manuals.

Invitation To Submit Technical Offers means all documents, whether attached or incorporated by reference, which are used for soliciting unpriced technical offers to assist in the evaluation of market place technology to determine what specific technology would be considered to be the most advantageous to the City to be specified in a subsequent competitive solicitation.

Job-Order-Contracting (JOC) means a project delivery method in which:

- (A) The contract is a requirements contract for indefinite quantities of construction.
- (B) The construction to be performed is specified in job orders issued during the contract.
- (C) Finance services, maintenance services, operations services, preconstruction services, design services related services may be included.

Life Cycle Cost Assessment (LCCA) means the comprehensive accounting of the total cost of ownership, including initial costs, energy, and operational costs, longevity and efficacy of service and disposal costs.

Local Vendor means any individual or company, licensed to conduct business to produce a product or provide a service, and has a business location located within the City limits of Flagstaff.

Materials means all personal property, including equipment, supplies, printing and insurance.

May shall be construed as being permissive.

Multi-Step Sealed Bidding means a two-phase process consisting of a technical first phase composed of one (1) or more steps in which Bidders submit un-priced technical offers to be evaluated by the City and a second phase in which those Bidders whose technical offers are determined to be acceptable during the first phase have their priced bid considered.

Person shall include the state, the county, a political subdivision of the state, other governmental entity, a corporation, firm, partnership, limited liability company, association, organization, and any other group acting as a unit, as well as an individual. It includes a trustee, receiver or similar representative.

Price Data means information concerning prices, including profit, for materials, services or construction items substantially similar to those being procured under a contract or subcontract. In this definition, "prices" refers to offered or proposed selling prices, historical selling prices, or current selling prices of the items being purchased.

Private Development means commercial or residential development by the private sector.

Procurement means buying, purchasing, renting, leasing or otherwise acquiring any materials, services and construction. Procurement also includes all functions that pertain to the acquisition of any materials, services or construction including description of requirements, selection and solicitation of sources, preparation and award of contract, and all phases of contract administration.

Procurement Code Manual means this Procurement Code Manual, outlining various procurement functions, as approved and adopted by the Flagstaff City Council.

Professional Services means those services requiring special knowledge, education or skill and where the qualifications of persons rendering the services are of primary importance. shall include, but not be limited to, appraisers, attorneys, architects, engineers, surveyors, accountants, psychologists, physicians, and other health professionals.

Project Manager means a person who provides management and/or technical services required to implement a capital project pursuant to the project guidelines.

Proprietary Specification means a specification that describes a material made and marketed by a person having the exclusive right to manufacture and sell such material and excludes other material with similar quality, performance or functional characteristics from being responsive to the solicitation.

Purchasing Agent means the Director, Purchasing Manager, Senior Procurement Specialist, Buyers, or any member of the Purchasing Staff authorized by the Director to commit the City to a purchase and manage, supervise, and monitor the execution of the terms and conditions of a contract.

Purchase Description means the words used in a solicitation to describe the materials, services or construction for purchase and includes specifications attached to, or made a part of, the solicitation.

Purchase Requisition means a formal request for a material, service or construction and electronically submitted through the City's financial software system and processed into a formal purchase order.

Qualified Products List means an approved list of materials, services or construction items described by model or catalogue numbers, that, prior to competitive solicitation, the City has determined will meet the applicable specification requirements.

Recycled Content Product means a product containing a minimum of thirty-five percent (35%) recycled materials except in those cases where the US EPA has adopted procurement guidelines under the Resource Conservation Recovery Act of 1976.

Recyclable Product means a product or package made from a material for which curbside or drop-off collection systems are in place for a majority of City residents or businesses; to divert

from City solid waste for use as a raw material in the manufacture of another product or the reuse of the same product.

Request for Information means all documents, whether attached or incorporated by reference, which are used for soliciting unpriced information regarding a specific product or service for evaluation to determine what specifications or scope of work would be considered to be the most advantageous to the City to be specified in a subsequent competitive solicitation.

Request for Proposals (RFP) means all documents, whether attached or incorporated by reference, which are used for soliciting formal proposals in accordance with procedures prescribed in this Procurement Code Manual.

Request for Statements of Qualifications (RSOQ) means all documents, whether attached or incorporated by reference, which are used for soliciting formal statements of qualifications in accordance with procedures prescribed in this Procurement Code Manual.

Requisitioner means any staff member, working for the City of Flagstaff, who has a request for either a material, service or construction and electronically submits a purchase requisition through the City's financial software system.

Responsible Bidder or Proposer means a person who has the capability to perform the contract requirements and the integrity and reliability which will assure good faith performance.

Responsive Bidder or Proposer means a person who submits a bid which conforms in all material respects to the invitation for bids or request for proposals.

Reusable Product A product that can be used several times for an intended end use before being discarded.

Services means the furnishing of labor, time or effort by an independent contractor which does not involve the delivery of a specific end product other than required reports and performance.

Shall The word "shall" shall be construed as being mandatory.

Solicitation means an invitation for bids, a request for technical offers, a request for proposals, a request for quotations, or any other invitation or request by which the City invites a person to participate in a procurement.

Specification means any description of the physical or functional characteristics, or of the nature of a material, service or construction item. Specification may include a description of any requirement for inspecting, testing, or preparing a material, service or construction item for delivery.

Surplus Property means any supplies, materials and equipment owned by the City, that no longer has any use to the City. This includes obsolete materials, scrap materials, and supplies, materials and equipment that have completed their useful life cycle.

Suspension means an action taken by the director temporarily disqualifying a person from participating in City procurements for six (6) months.

Sustainably Preferable Product means a product that has a reduced negative effect or increased positive effect on human health and the environment when compared with competing products that serve the same purpose. This term includes, but is not limited to, recyclable products, recycled products and reusable products.

Sustainable Product means a product that achieves performance objectives while respecting the City's values and balancing environmental stewardship, fiscal responsibility, social equity, and community enhancement.

Sustainable Purchasing means purchasing materials, products, and labor in a manner that reflects fiscal responsibility, social equity, environmental stewardship and community enhancement.

Task Order means a written form used in a process associated with On-Call contracts in which a task order form is submitted to initiate professional Architectural, Engineering, Surveying, Landscape Architecture and Geotechnical services from those firms who have been awarded an On-Call contract.

Technical Offer means unpriced written information from a prospective contractor stating the manner in which the prospective contractor intends to perform certain work, its qualifications, and its terms and conditions.

Quotation means a verbal or written commitment to supply materials, services or construction at a stated price and terms.

Request for Quotation (RFQ) means all documents, whether attached or incorporated by reference, which are used for soliciting quotations in accordance with procedures prescribed in the informal procurement process.

ARTICLE 5 **UNAUTHORIZED PURCHASE** (*Discretionary, except B, #5, per City Charter*)

- A. Any purchase made that does not follow any of the applicable processes under the provisions of this Article, is considered an unauthorized purchase.
- B. All purchases will be made in accordance with this Procurement Code Manual. The following steps shall be included in the procurement process:
 1. Electronic submission of a properly completed purchase requisition;
 2. Verification by the requestor that funds are available;
 3. The purchase requisition has gone through all other established approval processes;
 4. All requisitions for materials, services and construction that are below fifty thousand dollars (\$50,000) shall be subject to an informal competitive solicitation process under the provisions of Article 7(A); except as provided in Article 2 "Applicability", Article 18 "Sole Source", Article 19 "Emergency Purchase" and Article 20, "Procurements From Solicitations By Other Governmental Entities";
 5. All requisitions for materials, services and construction at fifty thousand dollars (\$50,000) and higher, shall be subject to a formal competitive solicitation process under the provisions of Article 7(B) and any contract award shall be approved by City Council; except as provided in Article 2 "Applicability", Article 18 "Sole Source", Article 19 "Emergency Purchase"; and Article 20, "Procurements From Solicitations By Other Governmental Agencies"; and
 6. All purchases for materials, services and construction shall have a properly executed purchase order and a contract, if a contract is deemed necessary, given the particular purchase, to be processed by the Purchasing Section.

- C. An employee making a purchase not in conformance with this Procurement Code Manual, adopted rules and established procedures may be subject to:
1. Verbal consultation with individual;
 2. Written reprimand with individual;
 3. Revocation of purchasing rights; or
 4. Other corrective action, as deemed appropriate
- D. Any unauthorized purchase shall be reported to the appropriate Division or Department Head.

ARTICLE 6 **DETERMINATIONS (A.R.S. 41-2502)**

Written determinations, if required by this Procurement Code Manual, shall be retained in the appropriate official record file of the Purchasing Section.

- A. Determinations shall fully specify reasons.
- B. The Director may specify the format for Determinations.

ARTICLE 7 **INFORMAL AND FORMAL PROCUREMENT LIMITS; QUOTE FILE REQUIREMENTS (Discretionary, except B, per City Charter)**

- A. ***Informal Procurement Limit.*** Procurement of a material, service or construction, less than fifty thousand dollars (\$50,000.00), on an annual fiscal year basis, shall be made by informal procedures in accordance with the provisions of Section 7.1 of this Procurement Code Manual and any applicable federal and state laws, rules and regulations except as provided in Article 2, "Applicability"; Article 18, "Sole Source"; Article 19, "Emergency Purchases"; Article 20, "Procurements From Solicitations By Other Governmental Entities". Procurements less than **fifty thousand dollars (\$50,000.00)** may be made utilizing a formal procurement process if deemed by the Director to be in the best interest of the City. Procurements less than fifty thousand dollars (\$50,000.00), are not required to be approved and awarded by City Council.
- B. ***Formal Procurement Limit.*** Procurement of a material, service or construction, of fifty thousand dollars (\$50,000.00) and higher on an annual fiscal year basis, shall be made by formal procedures in accordance with the City Charter and provisions of Article 9 of this Procurement Code Manual and any applicable federal and state laws, rules and regulations, except as provided in Article 2, "Applicability"; Article 18, "Sole Source"; Article 19, "Emergency Purchases". Procurements of fifty thousand dollars (\$50,000.00) and higher, are required to be approved and awarded by City Council.

Section 7.1 ***Informal Procurement Process***

- A. Informal Procurement Process.

Any procurement, established in Article 7 (A) shall be made in accordance with established Procurement Code Manual procedures. Determination as to the use of informal or formal process shall be based on the cost of the item(s), including all taxes, fees, freight, installation and any other miscellaneous costs. The procurement shall be made with such competition as is outlined in B, C and D under this Section. Procurement requirements shall not be artificially divided or fragmented to circumvent the purchasing process under this section or the procedures required by Article 9, "Formal Procurement Process." This section shall not be construed to permit informal purchasing if there is a

City Charter or ordinance provision or a Federal or State law, regulation or rule to the contrary.

B. PURCHASES AT FIVE THOUSAND DOLLARS (\$5,000) OR LESS

For purchases at or less than **five thousand dollars (\$5,000)**, the Purchasing Agent or requesting Division or Section may direct select the vendor of choice for the purchase of any materials, services or construction requested. Reasonable good faith efforts shall be made to purchase from a Local Vendor.

C. PURCHASES AT FIVE THOUSAND AND ONE DOLLARS (\$5,001) UP TO FIFTEEN THOUSAND DOLLARS (\$15,000).

For purchases at **five thousand and one dollars (\$5,001)** and up to **fifteen thousand dollars (\$15,000)**, the Purchasing Agent or requesting Department shall solicit, verbal quotations for the purchase of materials, services or construction from, at minimum three (3) Bidders or Proposers, as determined to be the most advantageous under the immediate circumstances, except as provided in Article 2, "Applicability"; Article 18, "Sole Source"; Article 19, "Emergency Purchases"; Article 20, "Procurements From Solicitations By Other Governmental Entities". Reasonable good faith efforts shall be made to solicit quotes from Local Vendors. Verbal quotations obtained shall be documented in the procurement file.

D. PURCHASES AT FIFTEEN THOUSAND AND ONE DOLLARS (\$15,001) UP TO FORTY NINE THOUSAND NINE HUNDRED AND NINETY NINE DOLLARS (\$49,999).

For purchases at **fifteen thousand and one dollars (\$15,001)** and up to **forty nine thousand nine hundred and ninety nine dollars (\$49,999)**, shall be made in accordance with the following procedures:

1. A Purchasing Agent or requesting Department shall solicit at least three (3) Bidders or Proposers to submit written or faxed quotations or proposals on vendor's letterhead or by e-mail. Whenever practicable, the City's standard Request for Quotations (RFQ) or Request for Proposals (RFP) document shall be utilized in an effort to obtain written quotes. The City Attorney's Office shall review the RFQ and RFP prior to issuance if a contract is required for the procurement. Written quotations obtained shall be documented in the procurement file.
2. The Purchasing Agent may solicit quotations or Proposals from all vendors on the Bidder's list, but at minimum, shall solicit quotations or Proposals from Local Vendors on the Bidder's list and those Bidders or Proposers who have specifically requested an opportunity to submit a quotation or Proposal for the specific material, service or construction being requested at that time.
3. Award shall be made to the lowest responsive and responsible Bidder or highest scoring responsive and responsible Proposer submitting a responsive quotation or proposal. The amount of an applicable City Transaction Privilege or Use Tax shall not be a factor in determining the lowest Bidder if a competing Bidder, who is located outside the City, is not subject to an equal tax rate.
4. Whenever required by the Purchasing Agent, Bidders or Proposers shall submit quotes or proposals on the form issued with the Request for Quotation or Proposal, and the quotes shall be recorded and placed in the procurement file.

5. If only one responsive and responsible quotation or proposal is received, a statement shall be included in the procurement file explaining the basis for determining that the price and/or proposal is fair and reasonable. Time permitting, the Purchasing Agent may initiate a second solicitation to include the vendor who provided the only response initially.
6. Whenever practicable, Article 27, "Specification Guidelines" shall be used in the development of specifications for a Request for Quotation or Proposal.
7. Written quotations or proposals transmitted via facsimile machine or e-mail shall be permitted provided the quotation or proposal bears the signature of an authorized agent of the Bidder or Proposer submitting the quotation or proposal.
 - a. Quotations or proposals qualified in any manner are subject to rejection in whole or in part.
 - b. Alternate quotations or proposals shall be considered unless specifically stated otherwise in the Request for Quotation.
 - c. In the event of a discrepancy between the unit price and the extension price, the unit price shall govern.
 - d. In the event of tied quotes, the tie shall be broken according to the following, determined by the Director :
 1. Best and final Offer when determined by the Director to be applicable; or
 2. Drawing lots.
 - e. The City reserves the right to reject all quotations and seek new quotations with a new Request for Quotation.

These procedures do not supersede Article 2, "Applicability"; Article 18, "Sole Source"; Article 19, "Emergency Purchases"; Article 20, "Procurements From Solicitations By Other Governmental Entities".

Section 7.2 Quote File Requirements

- A. Verbal and written quote files shall be set up, within the Purchasing Section, to retain for record keeping purposes.
- B. Verbal quote files shall be set up by the Purchasing Section for each purchase over **five thousand dollars (\$5,000)** and up to **fifteen thousand dollars (\$15,000)**.
- C. Written quote files shall be set up by the Purchasing Section for each purchase over **fifteen thousand dollars (\$15,000)** and up to **forty nine thousand nine hundred and ninety nine dollars (\$49,999)**.

ARTICLE 8 AVAILABLE FUNDS (Discretionary)

Unencumbered funds to cover the entire purchase must be available in the appropriate account of the Operating Budget or other appropriate fund against which the purchase is to be charged prior to the commitment to purchase except multi-year contracts, in which case only funds for the first year of the contract need be appropriated.

Section 8.1 Available Funds Identification

- A. Solicitations pursuant to the formal bidding process may not be issued when using un-designated funds, contingency funds, or funds transferred between departments unless approved in writing by the Director of Management Services or appointed designee.
- B. Solicitations pursuant to Article 9, "Formal Procurement Process", shall not be issued prior to the appropriate approval for use of certain funds requiring budget transfers to or from capital and salary accounts.
- C. Solicitations pursuant to Article 9, "Formal Procurement Process", shall not be issued prior to the acceptance by the City Council of any grant funds, unless approved in writing by the Director of Management Services or appointed designee.
- D. Requestors are responsible for verifying available funds prior to submitting a purchase requisition and shall enter an electronic purchase requisition prior to requesting the issuance of a formal solicitation.

Section 8.2 Petty Cash (Reserved)

Section 8.3 Procurement Cards (Reserved)

ARTICLE 9 FORMAL PROCUREMENT PROCESS (City Charter)

Except as otherwise provided in this Procurement Code Manual, a procurement which exceeds the formal procurement limit specified in Article 7(B), "Formal Procurement Limit", shall be made in accordance with either Article 10, "Formal Procurement Process—Invitation for Bids", Article 11, "Formal Procurement Process—Request for Proposals" or Article 12, "Formal Procurement Process—Professional Design Services, Capital Improvements/Construction and Construction Services".

ARTICLE 10 FORMAL PROCUREMENT PROCESS--INVITATION FOR BIDS (A.R.S. 41-2533)

The formal procurement process for routine operating capital and capital improvements/construction projects, where the specifications and/or scope are definitively defined and the price is the determining factor in the award of a contract, the Purchasing Agent shall utilize the Invitation for Bids solicitation. The Invitation for Bids document shall include specifications and/or scope of work, and all contractual terms and conditions applicable to the procurement. The contract's inception, is with the Invitation for Bids document and the successful Bidder's bid submittal is adopted by reference.

Section 10.1 Invitation for Bids Determination

The Purchasing Agent shall determine if the Invitation for Bids process is applicable for the selection of the material, service or construction with an estimated expenditure exceeding the formal bid limit.

Section 10.2 Request for Issuance of an Invitation for Bids

- A. The requisitioner or "End-user" shall electronically submit a requisition referencing the cost estimate or approved budget for the requested material, service or construction.
- B. The Purchasing Agent shall obtain a bid number from the Solicitation Log Book in the Purchasing Section, provide the description of the purchase or project, the Purchasing

Agent assigned and determine the appropriate solicitation document and agreement to be used.

- C. The Requisitioner or “End-user” shall provide the specifications and/or scope of work to the Purchasing Section to be incorporated into the bid solicitation. Once the bid solicitation is complete, the Purchasing Agent shall forward to the City Attorney’s office for review before issuance of the solicitation.

Section 10.3 *Invitation for Bids*

An Invitation for Bids shall be issued when the evaluation and selection of a vendor for award is based on the lowest, responsive and responsible Bidder. The bid document shall include a purchase description and all contractual terms and conditions applicable to the procurement.

- A. An Invitation for Bids shall be issued at least **twenty one (21) days** before the closing date and time for receipt of bids, unless a shorter time is determined necessary in writing by the Purchasing Agent pursuant to a written request from the requesting Department. However, in accordance with the Flagstaff City Charter, public notice of the Invitation for Bids shall be published at least once in the official newspaper, not less than five (5) days prior to the opening of the bids.
- B. Sealed Bids shall be opened publicly at the time and place designated in the Invitation for Bids. The amount of each bid, and such other relevant information as may be specified by rule, together with the name of each Bidder shall be recorded. The bids shall not be open for public inspection until after a contract is awarded, except to the extent the Bidder designates, and the Director concurs, that trade secrets or other proprietary data contained in the bid documents shall remain confidential in accordance with established rules.
- C. Bids shall be unconditionally accepted without alteration or correction, except as authorized in item (D) of this section. Bids shall be evaluated based on the requirements set forth in the Invitation for Bids as prescribed in the procurement rules. No criteria may be used in bid evaluation that are not set forth in the Invitation for Bids.
- D. Correction or withdrawal of erroneous bids before or after bid opening, based on bid mistakes, may be permitted in accordance with established rules. After bid opening, no corrections in bid prices or other provisions of bids prejudicial to the best interest of the City or fair competition shall be permitted. All decisions to permit the correction or withdrawal of bids, or to cancel awards or contracts based on bid mistakes, shall be supported by a written determination made by the Director.
- E. The contract shall be awarded to the lowest responsive and responsible Bidder whose bid conforms in all material respects to the requirements and criteria set forth in the Invitation for Bids. The amount of any applicable City of Flagstaff Transaction Privilege or Use Tax is not a factor in determining the lowest Bidder to the extent a competing Bidder located outside the City is not subject to an equal tax rate.
- F. The multi-step sealed bidding method may be used if the Director determines, in writing, that it is not practicable to initially prepare a definitive purchase description which is suitable to permit an award based on competitive sealed bidding. An Invitation for Bids may be issued requesting the submission of technical offers to be followed by an Invitation for Bids soliciting priced offers limited to those Bidders whose offers are determined to be technically acceptable under the criteria set forth in the first solicitation.

Section 10.4 *Invitation for Bids, Format, Content, Public Inspection*

- A. In all competitive sealed bidding procurements, the Purchasing Section shall issue the standard Invitation for Bids document established and approved by the Purchasing Section and the City Attorney's office.
- B. The Invitation for Bids shall include the following:
 - 1. Instructions and information to Bidders concerning the bid submission requirements, including the time and date set for bid opening, the address of the office where bids are to be received, the period that the bid shall remain open, and any other special information;
 - 2. The purchase description, specifications, evaluation criteria, delivery or performance schedule, and inspection and acceptance requirements;
 - 3. The standard contract terms and conditions, including warranty and bonding or other security requirements, as applicable;
 - 4. If the Invitation for Bids incorporates documents by reference, the Invitation for Bids shall specify where such documents may be obtained;
 - 5. An Invitation for Bids may require the submission of bid samples, descriptive literature, technical data and may require inspection or testing of a product before award;
 - 6. Invitation for Bids shall require, from all Bidders, the submission of a non-collusion affidavit on a form included in the Invitation for Bids document. Failure of any Bidder to provide the non-collusion affidavit, as a part of his sealed bid, shall be grounds for disqualification of the bid; and
 - 7. Invitation for Bids shall be advertised, at least one (1) time, in the Arizona Daily Sun and posted to the City's website.
- C. Solicitations posted on the City's web site are available for downloading, as well as other means of obtaining a solicitation as follows:
 - 1. Interested Bidders may subscribe to receive an e-mail based notification of all current solicitation opportunities;
 - 2. Interested Bidders may pick up solicitations from the Purchasing Section during normal business hours; or
 - 3. Interested Bidders can email the Purchasing Section and request an electronic copy of the solicitation via email.

Section 10.5 *Pre-Bid Conference*

A pre-bid conference may be conducted within a reasonable time before bid opening to discuss the procurement requirements and solicit comments from prospective Bidders.

Section 10.6 *Addendum to Invitation for Bids*

- A. An Addendum to an Invitation for Bids shall be issued if necessary to:
 - 1. Make changes in the Invitation for Bids;

2. Correct defects or ambiguities;
 3. Furnish to other Bidders information given to one Bidder if the information will assist the other Bidders in submitting bids, or if the lack of the information will prejudice the other Bidders; or
 4. Inform Bidders of alternate materials accepted for bid.
- B. An addendum to an Invitation for Bids shall be so identified and shall be posted to the City's web site and sent by the Purchasing Section to all persons who provided an "Acknowledgement of Receipt" form when practicable, depending on the number of prospective Bidders who submitted this form.
- C. All addendums shall be issued at least seven (7) days prior to bid opening to allow prospective Bidders to consider them in preparing their bids, unless a shorter time is determined necessary, in writing, by the Purchasing Agent pursuant to a written request from the requesting Department. If the time and date set for bid opening do not permit sufficient time for bid preparation, the time and date for bid opening shall be extended in the addendum or, if necessary, by fax, e-mail, or telephone and then confirmed in the addendum.

Section 10.7 *Pre-Opening Modifications or Withdrawal of Bids*

- A. Bidders may modify or withdraw their bid at any time before bid opening if the modification or withdrawal request is received in writing before the time and date set for bid opening in a location designated in the Invitation for Bids for receipt of bids.
- B. All documents concerning a modification or withdrawal of a bid shall be retained in the appropriate procurement file.

Section 10.8 *Late Bids, Late Withdrawals, and Late Modifications*

- A. A bid, modification or withdrawal is late and shall not be accepted if it is received at the location designated in the Invitation for Bids for receipt of bids after the time and date referenced in the solicitation document.
- B. A late bid, late modification, or late withdrawal shall be rejected unless the bid, modification, or withdrawal is received before contract award at the location designated in the Invitation for Bids for receipt of bids and would have been timely received but for the action or inaction of the City.
- C. Bidders submitting bids, modifications or withdrawals that are rejected as late shall be so notified as soon as practicable.
- D. All documents concerning a late bid, late modification, or late withdrawal shall be retained in the appropriate procurement file.
- E. All late bids shall be returned, unopened, to the vendor.

Section 10.9 *Receipt, Opening, Recording of Bids, and Confidential Information*

- A. Each bid and modification shall be date and time-stamped upon receipt and stored unopened in a secure place, within the Purchasing Section, until the time and date set for bid opening.

- B. Bids and modifications shall be opened publicly and in the presence of one or more witnesses at the time, date, and location designated in the Invitation for Bids for bid opening. The name of each Bidder, the bid price, and other information deemed appropriate shall be read aloud and recorded on a bid abstract. The name of the required witness shall also be recorded. The bids shall not be open to public inspection until after a contract has been awarded, except to the extent the Bidder designates, and the Director concurs, that trade secrets or other proprietary data contained in their bid submittal shall remain confidential in accordance with established rules.
- C. All bids shall be irrevocable for, a minimum of, ninety (90) days or as deemed appropriate by the Director.
- D. After contract award, or at the Director's discretion, the bids shall be available for public inspection except to the extent that the withholding of information is permitted or required by law. If the Bidder designates a portion of the bid as confidential, disclosure of such portion shall be made in accordance with the following:
 - 1. If a Bidder believes that a bid contains information that should be withheld, a statement advising the Director of this fact shall accompany the submission, and the information shall be so identified wherever it appears. The information identified by the person as confidential shall not be disclosed until the Director makes a written determination;
 - 2. The Director shall review the statement and information and shall determine in writing whether the information shall be withheld; and
 - 3. If the Director makes the determination to disclose the information, the Director shall inform the Bidder in writing of such determination.

Section 10.10 *Mistakes in Bids*

- A. A Bidder may correct mistakes discovered before the time and date set for bid opening by withdrawing or correcting the bid as provided in Section 10.7, "Pre-opening Modification or Withdrawal of Bids".
- B. After bid opening, a bid mistake, not resulting from an error in judgment may not be corrected or withdrawn. Other bid mistakes may be corrected or withdrawn pursuant to the following:
 - 1. After bid opening, the Director may either waive minor informalities in a bid or allow the Bidder to correct them if a written determination is made that such action would not result in a pecuniary competitive bidding advantage to that Bidder. Nothing in this section shall be construed as requiring the Director to waive any informalities or to allow their correction.
 - 2. After bid opening, the bid may not be withdrawn and shall be corrected to the intended bid if a bid mistake and the intended bid are evident on the face of the bid.
 - 3. After bid opening, the Director may permit a Bidder to withdraw a bid if:
 - a. A mistake, not resulting from an error in judgment, is evident on the face of the bid but the intended bid; or
 - b. The Bidder establishes to the Director's satisfaction that a mistake was made not resulting in an error in judgment.

4. In the event of a discrepancy between the unit price and a multiplied subtotal the unit price shall govern.
 5. Mistakes shall not be corrected after award of the contract except where the Director makes a written determination that it would be unconscionable not to allow the mistake to be corrected.
- C. If correction or withdrawal of a bid after the bid opening is permitted or denied, the Director shall prepare a written determination showing that the relief was permitted or denied under these established rules and regulations.

Section 10.11 Bid Evaluation and Award

- A. The contract shall be awarded to the lowest responsible and responsive Bidder whose bid meets the requirements and evaluation criteria set forth in the Invitation for Bids.
- B. A product acceptability evaluation shall be conducted solely to determine whether a Bidder's product is acceptable as set forth in the Invitation for Bids and not whether one Bidder's product is superior to another Bidder's product. Any Bidder's offering that does not meet the acceptability requirements shall be rejected as non-responsive.
- C. Bids shall be evaluated to determine which Bidder offers the lowest cost to the City in accordance with the evaluation criteria set forth in the Invitation for Bids. Only objectively measurable criteria that are set forth in the Invitation for Bids shall be applied in determining the lowest Bidder. Examples of such criteria include, but are not limited to, transportation cost, energy cost, ownership cost and other identifiable costs or life cycle cost formula. Evaluation factors need not be precise predictors of actual future costs, but to the extent possible the evaluation factors shall be reasonable estimates based upon information the Director has available concerning future use.
- D. A contract may not be awarded to a Bidder submitting a higher quality item than that designated in the Invitation for Bids unless the Bidder is also the lowest Bidder as determined under Subpart C of this Section. This Section does not permit negotiations with any Bidder, unless the lowest, responsive and responsible Bidder's bid exceeds the available monies budgeted for the material, service or construction, which would allow negotiations with the lowest, responsive and responsible Bidder.
- E. In the event two or more low responsive bids from responsible Bidders are identical in price and meet all the requirements and criteria set forth in the Invitation for Bids, the tie shall be broken according to the following determined by the Director:
1. Best and Final offer when determined by the Director to be applicable; or
 2. Draw lots
- F. A record showing the basis for determining the successful Bidder shall be retained in the procurement file.
- G. The Purchasing Agent involved with the purchase shall provide a written notice of award to the successful Bidder within **twenty-four (24) hours** of Council award. For procurements equal to or in excess of the formal procurement limit, each unsuccessful Bidder shall be notified in writing of the award within **fourteen (14) days**. Notice of award shall be made available to the public.

Section 10.12 *Only One Bid Received*

If only one responsive and responsible bid is received in response to an Invitation for Bids, an award may be made to the single Bidder if the Director determines that the price submitted is fair and reasonable, and that other prospective Bidders had reasonable opportunity to respond and there is not adequate time for re-solicitation. Otherwise, the bid will be rejected pursuant to the provisions of Article 15, "Cancellation or Rejection of Solicitations", and:

- A. New bids may be solicited; or
- B. If the Purchasing Agent determines, in writing, that the need for the material, service or construction continues and the acceptance of the one bid is not advantageous to the City, the procurement may then be conducted under Article 18, "Sole Source" or Article 19, "Emergency Purchase", as appropriate.

Section 10.13 *Multi-Step Sealed Bidding*

- A. The multi-step sealed bidding method may be used if the Director determines that:
 - 1. Available specifications or purchase descriptions are not sufficiently complete to permit full competition without technical evaluations and discussions to ensure mutual understanding between each Bidder and the City;
 - 2. Definite criteria exist for evaluation of technical offers;
 - 3. More than one technically qualified source is expected to be available; and
 - 4. A fixed price contract will be used.
- B. The Purchasing Agent may hold a pre-bid conference with Bidders before submission or at any time during the evaluation of the unpriced technical offers.

Section 10.14 *Phase One Of Multi-Step Sealed Bidding*

- A. Multi-step sealed bidding shall be initiated by the issuance of an Invitation to Submit Technical Offers. The Invitation to Submit Technical Offers shall be issued according to Section 10.3, "Invitation for Bids", and shall contain the following information:
 - 1. Notice that the procurement shall be conducted in two phases;
 - 2. The best description of the material or services desired;
 - 3. A statement that unpriced technical offers only shall be considered in phase one;
 - 4. The requirements for the technical offers, such as drawings and descriptive literature;
 - 5. The criteria for evaluating technical offers;
 - 6. The closing date and time for receipt of technical offers and the location where offers should be delivered or mailed;
 - 7. A statement that discussions may be held; and

8. A statement that only bids based on technical offers, determined to be acceptable in phase one, shall be considered for award.
- B. The Invitation to Submit Technical Offers may be amended after the submission of the unpriced technical offers. The amendment shall be distributed only to Bidders who submitted unpriced technical offers, and those Bidders shall be permitted to submit new unpriced technical offers or to amend the offers already submitted. If an amendment materially changes the procurement, the Invitation to Submit Technical Offers shall be canceled in accordance with Article 15, "Cancellation or Rejection of Solicitations".
- C. Unpriced technical offers shall not be opened publicly, but shall be opened in the presence of the Procurement Agent and at least one witness. The contents of unpriced technical offers shall not be disclosed to unauthorized persons.
- D. Unpriced technical offers shall be evaluated solely in accordance with the criteria set forth in the Invitation to Submit Technical Offers and shall be determined to be either acceptable for further consideration or unacceptable. A determination that an unpriced technical proposal is unacceptable shall be in writing, state the basis of the determination and be retained in the contract file. If the Director determines a Bidder's unpriced technical offer is unacceptable, the Purchasing Agent shall notify that Bidder of the determination and that the Bidder shall not be afforded an opportunity to amend its technical offer.
- E. The Purchasing Agent may conduct discussions with any Bidder who submits an acceptable or potentially acceptable technical offer. During discussions, the Purchasing Agent shall not disclose any information derived from unpriced technical offers to any other Bidder. After discussions, the Purchasing Agent shall establish a closing date for receipt of final technical offers and shall notify, in writing, Bidders submitting acceptable or potentially acceptable offers of the closing date. The Purchasing Agent shall keep a record of all discussions.
- F. At any time during Phase One, offers may be withdrawn in accordance with Section 10.7, "Pre-Opening Modifications or Withdrawal of Bids".

Section 10.15 Phase Two of Multi-Step Sealed Bidding

- A. Upon completion of Phase One, the Purchasing Agent shall issue an Invitation for Bids and conduct Phase Two under Section 10.3, "Invitation for Bids", as a competitive sealed bidding procurement, except that the Invitation for Bids shall be issued only to Bidders whose technical offers were determined to be acceptable in Phase One.
- B. Unpriced technical offers of unsuccessful Bidders shall not be open to public inspection until after a contract has been awarded, except to the extent set forth in Section 10.9, "Receipt, Opening, Recording of Bids and Confidential Information".

ARTICLE 11 FORMAL PROCUREMENT PROCESS – REQUEST FOR PROPOSALS **(A.R.S. 41-2534)**

If the Director determines in writing that the use of competitive sealed bidding is either not practicable or not advantageous to the City, a contract may be entered into by competitive sealed proposals. The Purchasing Section shall issue the standard Request for Proposals document established and approved by the Purchasing Section and the City Attorney's office. A Request for Proposals shall be issued when the evaluation and selection of a vendor for award includes other established evaluation criteria in addition to price and/or the scope of work/specifications are not definitively defined. The Request for Proposal document shall include a scope of work, and all contractual terms and conditions applicable to the procurement.

Section 11.1 Request for Proposals Determination

The Purchasing Agent shall determine if the Request for Proposals process is applicable for the selection of the material or service. Request for Proposals shall not be used for design-bid-build construction projects. However, a Request for Proposals may be used for any of the Alternative Project Delivery Methods (e.g., JOC, CMAR or Design-Build) as phase 2 of a Request for Statements of Qualifications process.

Section 11.2 Request for Issuance of a Request for Proposals

- A. The requisitioner or "End-user" shall electronically submit a requisition referencing the cost estimate or approved budget for the requested material or service.
- B. The Purchasing Agent shall obtain a proposal number from the Solicitation Log Book, located in the Purchasing Section and provide the description and the Purchasing Agent assigned.
- C. The Requisitioner or "End-user" shall provide the specifications and/or scope of work to the Purchasing Section. Once the solicitation is complete, the Purchasing Agent shall forward to the City Attorney's office for review before issuance of the solicitation.

Section 11.3 Request for Proposals

- A. Request for Proposals may be considered to be more practicable or advantageous if it is necessary to:
 - 1. Use a contract other than a fixed-price type;
 - 2. Conduct oral or written discussions with Proposers concerning technical and price aspects of their proposals;
 - 3. Afford Proposers an opportunity to revise their proposals;
 - 4. Compare the different price, quality, and contractual factors of the proposals submitted;
 - 5. Award a contract in which price is not the determining factor; and/or
 - 6. Specifications and/or scope of work are not clear or well-defined.
 - 7. Proposals shall be opened publicly at the time and place designated in the Request for Proposals. Only the name of each Proposer shall be publicly read and recorded. All other information contained in the proposals shall be confidential so as to avoid disclosure of contents prejudicial to competing Proposers during the process of evaluation. The proposals shall be open for public inspection after contract award. Except to the extent the Proposer designates and the Director concurs, trade secrets or other proprietary data contained in the proposal documents shall remain confidential in accordance with established rules.
 - 8. Specific numerical weighting is not required. However, the Request for Proposal document shall state the relative importance of price and other evaluation factors.
 - 9. As provided in the Request for Proposals, and under established rules, discussions may be conducted with responsible Proposers who submit proposals determined to be reasonably susceptible to being selected for award for the

purpose of clarification to assure full understanding of, and responsiveness to, the solicitation requirements. Proposers shall be accorded fair treatment with respect to any opportunity for discussion and revision of proposals, and such revisions may be permitted after submissions and before award for the purpose of clarification. In conducting discussions, there shall be no disclosure of any information derived from proposals submitted by competing Proposers.

10. The award shall be made to the responsible Proposer whose proposal is determined in writing to be the most advantageous to the City taking into consideration the evaluation factors set forth in the Request for Proposals. No other factors or criteria may be used in the evaluation. The amount of any applicable City Transaction Privilege or Use Tax is not a factor in determining the most advantageous proposal to the extent a competing Proposer located outside the City is not subject to an equal tax rate. The contract file shall contain the basis on which the award is made.
- B. Request for Proposals shall set forth those factors listed in Section 10.4, "Invitation for Bids, Format, Content, Public Inspection" that are applicable and shall also state:
1. The type of goods or services required and a description of the work involved;
 2. The type of contract to be used;
 3. An estimated duration that the service will be required;
 4. That cost or pricing data is required;
 5. That discussions may be conducted with Proposers who submit proposals determined to be reasonably susceptible of being selected for award;
 6. The minimum information that the proposal shall contain;
 7. The closing date and time for receipt of proposals; and
 8. The evaluation criteria that will be used to evaluate proposal responses. Numerical weighting is not required. However, the Request for Proposal document shall reference each evaluation criterion's relative importance.
- C. A Request for Proposals shall be issued at least **twenty one (21) days** before the closing date and time for receipt of proposals, unless a shorter time is determined necessary in writing by the Director pursuant to a written request from the requesting Department receiving the goods or services. However, in accordance with the Flagstaff City Charter, public notice of the Request for Proposals shall be published at least once in the official newspaper, not less than five (5) days prior to the opening of the proposals.
- D. In all competitive sealed Request for Proposals, the Purchasing Section shall issue a Request for Proposals using a solicitation document approved by the Purchasing Section and the City Attorney's office.

Section 11.4 Solicitation Opportunities

1. Solicitations shall be advertised in the Arizona Daily Sun and posted on the City's website. Prospective Proposers can download the solicitation and all other related documents at: flagstaff.az.gov/departments/purchasing/bidpostings-overview. After the heading "Bids available for download," click on "bid postings". All solicitations may be picked up from the Purchasing Section during normal business hours.

2. Interested Bidders can download and complete a Vendor Application form from the City's website. The Vendor Application form allows a Vendor to subscribe to receive an e-mail based notification of all current solicitation opportunities.

Section 11.5 *Pre-Proposal Conferences*

Pre-proposal conferences may be convened in accordance with the same procedures outlined in Section 10.5, "Pre-Bid Conferences".

Section 11.6 *Late Proposals, Modifications or Withdrawals*

- A. A proposal received after the closing date and time for receipt of proposals is late and shall not be considered except under the circumstances set forth in Section 10.8, "Late Bids, Late Withdrawals and Late Modifications". A best and final offer received after the closing date and time for receipt of best and final offers is late and shall not be considered except under the circumstances in accordance with the same procedures outlined in Section 10.8 (B), "Late Bids, Late Withdrawals and Late Modifications".
- B. A modification of a proposal received after the closing date and time for receipt of proposals is late and shall not be considered except under the circumstances in accordance with the same procedures outlined in Section 10.8(B), "Late Bids, Late Withdrawals and Late Modifications".
- C. A modification of a proposal resulting from an addendum issued after the closing date and time for receipt of proposals or a modification of a proposal resulting from discussions during negotiations shall be considered if received by the closing date and time set forth in the addendum or by the closing date and time for submission of best and final offers, whichever is applicable. If the modifications described in this subsection are received after the respective date and time described in this subsection, the modifications are late and shall not be considered except under the circumstances in accordance with the same procedures outlined in Section 10.8 (B), "Late Bids, Late Withdrawals and Late Modifications".
- D. A proposal may be withdrawn at any time before the closing date and time for receipt of best and final offers. Withdrawal of a proposal after submission of best and final offers is permissible only in accordance with Section 11.11 (B), "Mistakes in Proposal Response".

Section 11.7 *Receipt of Proposals*

- A. Each proposal received shall be date and time-stamped and retained in a secure place, within the Purchasing Section, until the closing date and time for receipt of proposals. A record of proposals shall be prepared and shall contain the name of each Proposer, the subject of the Request for Proposals and the assigned Request For Proposals number for which the proposal was submitted.
- B. Proposals shall be opened in the presence of one (1) or more witnesses. During the evaluation process, proposals and modifications shall be shown only to those individuals involved in the evaluation and scoring process.
- C. If only one proposal is received in response to a Request for Proposals, the Purchasing Agent may either make an award in accordance with Section 11.12, "Contract Award for Request for Proposals", or if time permits, re-solicit.

Section 11.8 *Evaluation of Proposals*

- A. Evaluation of proposals shall be based on the evaluation criteria set forth in the Request for Proposals.

Section 11.9 *Discussions with Responsible Proposers and Revisions to Proposal*

- A. Discussions may be conducted with responsible Proposers who submit proposals determined to be reasonably susceptible of being selected for award; for the purpose of clarification to assure full understanding of, and responsiveness to, the solicitation requirements. Proposers shall be accorded fair and equal treatment with respect to any opportunity for discussions and revision of proposals, and such revisions may be permitted after submissions and prior to award, for the purpose of obtaining best and final offers. In conducting discussions, there shall be no disclosure of any information derived from proposals submitted by competing Proposers. The purpose of such discussions may be to:
 - 1. Determine in greater detail such Proposer's qualifications;
 - 2. Explore with the Proposer the scope and nature of the project, the Proposer's proposed presented approach, the relative utility of alternate methods of approach and method of performance;
 - 3. Determine that the Proposer will make available the necessary personnel and facilities to perform within the required time; and
 - 4. Agree upon compensation which is fair and reasonable, taking into account the estimated value of the required services/equipment, the scope and complexity of proposed project and nature of such services/equipment.
- B. After an evaluation committee has reviewed all of the initial proposals, discussions may be held between the responding Proposers and the evaluation committee. Such discussions are conducted to more fully understand the initial proposals submitted by the Proposers.
- C. Following the initial proposal review and discussions phase, the evaluation committee may either recommend an award to a specific firm or firms, if their proposal is clearly the best offer, or further define the RFP's needs within the scope of the original RFP and call for best and final offers.
- D. Proposal information may not be disclosed to any other Proposer. Each Proposer's information and pricing shall be kept under strict security until after an award recommendation has been made.
- E. All responsive and responsible Proposers are to be given a fair and equal opportunity to respond to any narrowed scope/specification needs stated within the written best and final offer document that may be issued by the Director. If the evaluation process clearly proved (with supportive evidence) that certain Proposers were incapable of meeting the scope and needs of the RFP in a satisfactory manner, then those Proposers may be removed from further consideration during the best and final offer phase of the RFP evaluation process. The criteria for being removed from best and final consideration must be well documented and placed in the bid/contract file.

- F. Best and final offers shall be requested in formal writing by the Purchasing Section and a reasonable time period given to Proposers for making a quality response. Any requested, best and final offer shall be within the scope of the original RFP and used to further identify and clarify specific service/product needs and appropriate pricing requirements based on those further clarified needs. .

Section 11.10 *Best and Final Offers; Tied Proposals*

- A. If discussions are conducted pursuant to Section 11.9, "Discussions With Responsible Proposers and Revisions to Proposal", the Purchasing Agent shall issue a formal written request for best and final offers. The request shall set forth the date, time and place for the submission of best and final offers. Best and final offers shall be requested only once, unless the Purchasing Agent makes a written determination that it is advantageous to the City to conduct further discussions or change the City's requirements. The request for best and final offers shall inform Proposers that, if they do not submit a best and final offer, their immediate previous offer will be construed as their best and final offer.
- B. In the event of tied proposals, the tie shall be broken according to the following determined by the Director:
1. Best and final offer when determined by the Director to be applicable; or
 2. Draw lots.

Section 11.11 *Mistakes in Proposal Response*

- A. Prior to the time and date set for receipt of best and final offers, any Proposer may withdraw their best and final offer or correct any mistake by modifying their best and final offer.
- B. Proposers submitting a best and final offer, may withdraw a proposal or correct a mistake after the specified due date, in accordance with Section 10.10, "Mistakes in Bids".

Section 11.12 *Contract Award for Request for Proposals*

- A. The contract shall be awarded to the Proposer whose proposal is responsive and responsible and determined in writing to be the most advantageous to the City based on the factors set forth in the Request for Proposals. The determination shall explain the basis of the award.
- B. If the Contract(s) awarded exceeds the formal procurement limit, each unsuccessful Proposer shall be notified in writing of the award.
- C. After contract award or as determined by the Purchasing Agent, the proposals shall be open for public inspection, except to the extent that the withholding of information is permitted or required by law. If the Proposer designates a portion of the proposal as confidential, disclosure of such portion shall be made in accordance with the following:
1. If a Proposer believes that a proposal contains information that should be withheld, a statement advising the Purchasing Agent of this fact shall accompany the submission and the information shall be so identified wherever it appears. The information identified by the Proposer as confidential shall not be disclosed until the Purchasing Agent makes a written determination;

2. The Purchasing Agent shall review the statement and information and shall determine in writing whether the information shall be withheld; and
3. If the Purchasing Agent makes the determination to disclose the information, the Purchasing Agent shall inform the Proposer in writing of such determination.

ARTICLE 12 **FORMAL PROCUREMENT PROCESS – PROFESSIONAL DESIGN SERVICES, CAPITAL IMPROVEMENTS/CONSTRUCTION AND CONSTRUCTION SERVICES (A.R.S. 41-2578 and A.R.S. 34)**

The formal procurement process for professional design services and capital improvements/construction projects utilizes different solicitation documents than the Request for Proposals. If the procurement is for professional design services, the Purchasing Agent shall utilize the Request for Statements of Qualifications solicitation. If the procurement is for capital improvements/construction, the Purchasing Agent shall utilize the Invitation for Bids (IFB) or one of the Alternative Project Delivery Methods, such as Construction Manager At Risk (CMAR), Design Build (DB) or Job Order Contracting (JOC), as deemed appropriate. If any of the Alternative Project Delivery Methods are utilized, the solicitation and contract award shall be based on qualifications utilizing the Request for Statements of Qualifications (RSOQ). In the event a decision is made by the Purchasing Agent to have a phase 2 of the solicitation process, A Request for Proposals may be used to include pricing information. Both the Request for Statements of Qualifications and the Request for proposals documents shall include specifications and/or scope of work, and all contractual terms and conditions applicable to the procurement.

Section 12.1 Request for Solicitation Determination

The Purchasing Agent shall determine if the Invitation for Bids or one of the Alternative Project Delivery Methods, followed by a Request for proposals, if there is a phase 2, is more appropriate for the selection of the service or construction with an estimated expenditure exceeding the formal procurement limit.

Section 12.2 Request for Issuance of a Formal Solicitation

- A. The requisitioner or “End-user” shall electronically submit a requisition referencing the cost estimate or approved budget for the requested service or construction.
- B. The Purchasing Agent shall obtain a bid number from the Solicitation Log Book in the Purchasing Section, provide the description of the purchase or project, the Purchasing Agent assigned and determine the appropriate solicitation document and agreement to be used.
- C. The Requisitioner or “End-user” shall provide the specifications and/or scope of work to the Purchasing Section. Once the solicitation is complete, the Purchasing Agent shall forward to the City Attorney’s office for review before issuance of the solicitation.

Section 12.3 Professional Design Services

Professional Design Services are those services that are legally required to be accomplished, reviewed and approved by professionals registered to practice in the State of Arizona and pertain to the following professional services:

1. Architect services
2. Engineering services

3. Assayer services
4. Geologist services
5. Landscape Architect services
6. Land Surveying services

Contracts for these professional design services shall be solicited through a Request for Statements of Qualifications, except as otherwise provided for in Article 18, Sole Source, Article 19, Emergency Purchase, or Article 20, "Procurements From Solicitations by Other Governmental Entities". The Purchasing Section shall issue the standard Request for Statements of Qualifications document established and approved by the Purchasing Section and the City Attorney's office. All contracts for professional services referenced above, shall be awarded and administered in accordance with the requirements of A.R.S. Title 34, Public Buildings and Improvements and the appropriate Article or Section of this Procurement Code Manual.

The Request for Statements of Qualifications, shall be issued at least **twenty one (21) days** before the closing date and time for receipt of statements of qualifications, unless a shorter time is determined necessary in writing by the Director. However, in accordance with the Flagstaff City Charter, public notice of the Request for Statements of Qualifications shall be published at least once in the official newspaper, not less than five (5) days prior to the opening of statements of qualifications.

Section 12.4 Capital Improvements/Construction

- A. Capital Improvements is the construction related projects involving the process of building, altering, repairing, improving or demolishing any public structure or building or other public improvements of any kind to any public real property, which extends the life or increases the productivity of the real property. Construction is the process of building, altering, repairing, improving or demolishing any public infrastructure facility, including public structure, public building, or other public improvements of any kind to any real property. Construction does not include the routine operation, routine repair, or routine maintenance of existing public infrastructures or facilities, including structures, buildings or real property.
- B. Contracts for capital improvements/construction shall be solicited utilizing an Invitation for Bids process or one of the Alternative Project Delivery Methods, except as otherwise provided for in Article 18, "Sole Source" or Article 19, "Emergency Purchase".
- C. The Purchasing Section shall issue the appropriate, selected, solicitation document established and approved by the Purchasing Section and the City Attorney's office.
- D. All contracts for Capital Improvements/construction shall be awarded and administered in accordance with the requirements of A.R.S. Title 34, Public Buildings and Improvements and the appropriate Article or Section of this Procurement Code Manual.
- E. Bidders shall submit subcontractor lists for all subcontracts that are above \$5,000. Bids not in compliance with this requirement shall be deemed non-responsive. Submission of the subcontractor list shall act as Bidder certification that the work shall be performed by either the Bidder or the listed subcontractors. Substitutions may be allowed for reasons including, but not limited to, subcontractor non-responsiveness, insolvency, or any other reason deemed by the Director to be in the best interest of the City.

Section 12.5 Construction Services

Construction Services is a combination of construction and one or more related services, such as finance services, maintenance services, operations services, design services and pre-construction services, as these services are authorized in the definitions of Construction Manager at Risk, Design Build or Job Order Contracting as follows:

- A. Construction-Manager-At-Risk is a project delivery method in which:
1. There is a separate contract for design services and a separate contract for construction services;
 2. The contract for construction services may be entered into at the same time as the contract for design services or at a later time;
 3. Design and construction of the project may be in sequential phases or concurrent phases; and
 4. Finance services, maintenance services, operations services, preconstruction services, and other related services may be included.
- B. Design-Build is a project delivery method in which:
1. There is a single contract for design services and construction services;
 2. Design and construction of the project may be in sequential phases or concurrent phases; and
 3. Finance services, maintenance services, operations services, preconstruction services, design services and other related services may be included.
- C. Job-Order-Contracting is a project delivery method in which:
1. The contract is a requirements contract for indefinite quantities of construction;
 2. The construction to be performed is specified in job orders issued during the contract;
 3. Finance services, maintenance services, operations services, preconstruction services, design services and other related services may be included; and
 4. The project limit shall be set by the Director in accordance with A.R.S. Title 34, Public Buildings and Improvements.
- D. Design-Bid-Build is the traditional project delivery method, other than the three (3) alternative project delivery methods, referenced above, in which:
1. There is a sequential award of two (2) separate contracts;
 2. The first contract is for design services;
 3. The second contract is for the actual construction;
 4. Design and construction of the project are in sequential phases; and

5. Finance services, maintenance services and operations services are not included.

Contracts for construction services shall be solicited through a construction-manager-at-risk, design-build or job-order-contracting selection process utilizing a Request for Statement of Qualifications, except as otherwise provided for in Article 18, "Sole Source" or Article 19, "Emergency Purchase". The Purchasing Section shall issue the standard Request for Statements of qualifications document established and approved by the Purchasing Section and the City Attorney's office. All contracts for professional services referenced above, shall be awarded and administered in accordance with the requirements of A.R.S. Title 34, Public Buildings and Improvements and the appropriate Article or Section of this Procurement Code Manual.

The Request for Statements of Qualifications, shall be issued at least **twenty one (21) days** before the closing date and time for receipt of statements of qualifications, unless a shorter time is determined necessary in writing by the Director. However, in accordance with the Flagstaff City Charter, public notice of the Request for Statements of Qualifications shall be published at least once in the official newspaper, not less than five (5) days prior to the opening of statements of qualifications.

ARTICLE 13 **FORMAL SOLICITATION ADVERTISING** ***(City Charter, except B through G which are discretionary)***

- A. The Purchasing Agent shall advertise all formal solicitations as follows:
 1. Invitation for Bids--- At least one (1) time in a local newspaper of general circulation no less than five (5) days prior to bid opening.
 2. Request for Proposals—At least one (1) time in a newspaper of general circulation no less than five (5) days prior to proposal opening.
 3. Request for Statements of Qualifications--- At least two (2) consecutive times in a newspaper of general circulation no less than six (6) days apart and no more than ten (10) days apart prior to the statement of qualifications opening. The opening shall not be less than five (5) days from the last advertisement.
- B. The requisitioning department shall budget for this required advertising.
- C. The City web site references all formal solicitation opportunities.
- D. The Purchasing Section may mail a notice of solicitation and any addendums to persons listed on the City Bidder's List and any person requesting the information. Bidnet, Arizona Procurement Technical Assistance Network, Construction News, Dodge, and other resources deemed appropriate by the Purchasing Section may be included in mailing lists for all applicable solicitations. All solicitations listed on the City's web site are available for downloading. Interested Bidders may subscribe to receive an e-mail based notification of all current solicitation opportunities by downloading and completing a vendor application from the City's website. The vendor application can be found by going to the City's website home page, clicking on City Hall, and then Departments, and then Purchasing and then vendor registration and then the link for vendor application.
- E. All solicitations may be picked up from the Purchasing Section during normal business hours. For construction related projects involving plan sets, the City's Project Manager

assigned to the project or a designee within their Division or Section shall be responsible for providing and logging plan sets requested by prospective Proposers.

- F. The Purchasing Section shall be responsible for scheduling bid or proposal openings and required pre-bid or pre-proposal conferences and post award meetings.
- G. The Purchasing Agent shall determine and coordinate any necessary addendums and issue any required addendums, receive bids or proposals and conduct bid or proposal openings.
 - 1. Only the Purchasing Section may supply interested persons with official copies of formal solicitations; and
 - 2. Only a Purchasing Agent may issue a Notice of Award or a Notice to Proceed.

ARTICLE 14 **EVALUATION/SELECTION COMMITTEE FOR MATERIALS, SERVICES, PROFESSIONAL DESIGN SERVICES AND CONSTRUCTION**
(Discretionary, except B and C, per A.R.S. 34-603)

All vendor responses to formal solicitations that contain evaluation criteria, in addition to price, shall be evaluated and scored by an evaluation/selection committee according to the following:

- A. The committee shall review and evaluate vendor responses according to the evaluation criteria referenced in the solicitation document. All committee members shall score each vendor according to the scoring matrix provided by the Purchasing Agent.

Section 14.1 Guidelines for Evaluation/Selection Committee; Selection Process

A. Appoint Evaluation/Selection Committee for Materials and Services:

- 1. The selection of Evaluation Committee members shall be determined, collectively, by the Purchasing Agent and the end-user. The evaluation committee shall consist of at least three (3) people, but preferably five (5) people. For any evaluation committee comprised of more than three (3) members, the committee shall consist of an odd number of members. Committee membership shall be a diverse group familiar with the elements contained in the Scope of Work.
- 2. Evaluation Committee membership is not restricted to City employees. However, committee members may not receive compensation, present a proposal, nor be affiliated with a person presenting a proposal.
- 3. Evaluation Committee members may be required to attend a training session on the elements of evaluating proposal responses from Proposers and the various elements to be scored, given the evaluation criteria outlined in the solicitation document.

B. Appoint Evaluation/Selection Committee for Professional Design Services:

- 1. The selection of Evaluation Committee members shall be initiated and determined, collectively, by the Purchasing Agent and the City Project Manager assigned to the project. The evaluation committee shall consist of at least five (5) members, but no more than seven (7) members and shall include at least one (1) member who is a senior management employee of a licensed Contractor and one (1) member who is an Architect or Engineer registered in the State of Arizona. The remaining evaluation committee membership shall be a diverse

group familiar with the elements contained in the Scope of Work. A member on the evaluation committee, who is not an employee of the City, shall not be a Contractor under a contract awarded under the procurement or provide any professional services, construction, construction services, materials or other services under the contract.

2. These members may be employees of the City or not an employee of the City. Members who are not employees of the City, outside Contractors, Architects and Engineers serving on an evaluation committee, are not entitled to receive compensation from the City for performing this service, nor be affiliated with a person submitting a statement of qualifications. However, the City may elect to reimburse members who are not employees of the City, outside Contractors, Architects and Engineers for travel, lodging and other expenses incurred in connection with service on an evaluation committee.
3. Evaluation Committee members may be required to attend a training session on the elements of evaluating proposal responses from Proposers and the various elements to be scored, given the evaluation criteria outlined in the solicitation document.

C. ***Appoint Evaluation/Selection Committee for Construction (utilizing a Request for Statements of Qualifications solicitation):***

1. The selection of Evaluation Committee members shall be initiated and determined, collectively, by the Purchasing Agent and the City Project Manager assigned to the project. The evaluation committee shall consist of at least five (5) members, but no more than seven (7) members and shall include at least one (1) member who is a senior management employee of a licensed Contractor and one (1) member who is an Architect or Engineer registered in the State of Arizona. The remaining evaluation committee membership shall be a diverse group familiar with the elements contained in the Scope of Work. A member on the evaluation committee, who is not an employee of the City, shall not be a Contractor under a contract awarded under the procurement or provide any professional services, construction, construction services, materials or other services under the contract.
2. These members may be employees of the City or not an employee of the City. Members who are not employees of the City, outside Contractors, Architects and Engineers serving on an evaluation committee, are not entitled to receive compensation from the City for performing this service, nor be affiliated with a person submitting a statement of qualifications. However, the City may elect to reimburse members who are not employees of the City, outside Contractors, Architects and Engineers for travel, lodging and other expenses incurred in connection with service on an evaluation committee.
3. Evaluation Committee members may be required to attend a training session on the elements of evaluating proposal responses from Proposers and the various elements to be scored, given the evaluation criteria outlined in the solicitation document.

Section 14.2 Guidelines for the Selection of Evaluation Criteria Used in a Solicitation Advertised as an Invitation for Bids, Request for Proposals or a Request for Statements of Qualifications

- A. The selection of evaluation criteria shall be initiated and determined by the Director and the end-user or City Project Manager, depending on the solicitation utilized. It is at the discretion of the Director and end-user or City Project Manager to select evaluation

criteria that is deemed to be objectively measurable and allow for the evaluation, selection and award of a contract that is in the best interest of the City. The City does not have a Local Bid Preference Ordinance, as the Arizona Supreme Court has rendered a legal opinion that giving a bid preference to local Bidders is unconstitutional.

- B. All solicitations advertised as a Request for Statements of Qualifications shall include the evaluation criterion "Value Added Knowledge and Experience" as follows:

Value Added Knowledge and Experience (10 points)

The team hired by the City must be familiar with local community needs, standards, historical challenges, local codes and site conditions. Additionally, the team must be accessible to City staff during the contracted design and construction phase of the Project.

1. Resolution of issues may be part of the project work. Describe your response protocol and how the firm's Project Manager (or responsible person in charge) will be accessible to City staff.
2. Explain why your firm is particularly qualified to perform your services in the Flagstaff area. Demonstrate the Project Manager's (or responsible person in charge) knowledge of local geology, climate, practices, materials and codes by specifying in the submittal their experience working in the Northern Arizona region or in a region with geology, climate and conditions similar to those of the City of Flagstaff.
 - a. Briefly describe two of your most recent projects that were performed in the greater Flagstaff area or an area that presents geologically and climatologically similar characteristics.
3. During construction what is the response time by a qualified person (decision making authority) to meet and resolve concerns and to accommodate unforeseen issues? (5 points if less than 30 minutes, 0 points if over 30 minutes)

ARTICLE 15 CANCELLATION OR REJECTION OF SOLICITATIONS (A.R.S. 41-2539 and City Charter)

An Invitation for Bids, a Request for Proposals or Request for Statements of Qualifications may be canceled by the Director prior to the solicitation opening. However, all bids, proposals or statements of qualifications submitted by a Bidder or proposer may be rejected after the solicitation opening, but the rejection of solicitation shall be approved by City Council as provided in the City Charter.

Section 15.1 Solicitation Statement

Each solicitation issued by the City shall state that the solicitation may be canceled or bids or proposals rejected in whole or in part.

Section 15.2 Cancellation of Solicitation Before Bids or Proposals Are Due

- A. Before bids or proposals are due, a solicitation may be canceled if the Purchasing Agent determines that cancellation is advantageous to the City.
- B. If a solicitation is canceled before bids or proposals are due, notice of cancellation shall be posted to the City website and sent to all prospective Bidders or Proposers who

completed and provided to the Purchasing Section an Acknowledgment of Receipt form when practicable, depending on the number of prospective Bidders who submitted this form. The notice of cancellation shall identify the solicitation and briefly explain the reason for cancellation.

- C. Any bids or proposals received by the City for a canceled solicitation shall be returned to the Bidder or Proposer unopened.

Section 15.3 *Cancellation of Solicitation After Bids or Proposals Are Due*

- A. After opening of bids or proposals, but before award, a solicitation may be canceled if the Purchasing Agent determines that cancellation is advantageous to the City.
- B. A notice of cancellation shall be sent to all Bidders or Proposers submitting bids or proposals.
- C. Bids or proposals received shall be placed in a sealed file pending a decision of a rebid of the solicitation. In the event of a rebid of the solicitation, the file shall remain sealed until an award is made.

Section 15.4 *Rejection of All Solicitations*

- A. After receipt, opening and evaluation, but before award, all solicitations may be rejected if determined to be in the best interest of the City. However, any recommendations for a solicitation to be rejected shall be approved by the City Council.
- B. A notice of rejection shall be sent to all Bidders or Proposers submitting bids or proposals.

Section 15.5 *Procurement Procedural Irregularity*

The Purchasing Agent shall act to cancel or reject in the event that action is deemed in the best interest of the City due to a procurement procedural irregularity.

ARTICLE 16 *DETERMINATION OF BIDDER AND PROPOSER RESPONSIBILITY* **(A.R.S. 41-2540)**

- A. A written determination of non-responsibility of a Bidder or Proposer shall be made in accordance with established rules. The unreasonable failure of a Bidder or Proposer to promptly supply information in connection with an inquiry with respect to responsibility shall be grounds for a determination of non-responsibility with respect to the Bidder or Proposer.
- B. Information furnished by a Bidder or Proposer pursuant to this section shall not be disclosed outside of the Purchasing Section without prior written consent by the Bidder or Proposer, except to law enforcement agencies under a subpoena or court order.
- C. Factors to be considered in determining if a proposed vendor is responsible include:
 - 1. The proposed Bidder's or Proposer's financial, physical, personnel or other resources, including subcontractors;
 - 2. The proposed Bidder's or Proposer's record of performance and integrity;

3. Whether the proposed Bidder or Proposer is qualified legally to contract with the City;
 4. Whether the proposed Bidder or Proposer supplied all necessary information concerning its responsibility; and
 5. Whether the proposed Bidder or Proposer holds any required and active valid State of Arizona license(s) to conduct business or to perform the work proposed.
- D. The Purchasing Agent may establish specific responsibility criteria for a particular procurement. Any specific responsibility criteria shall be outlined in the solicitation.
- E. If the Purchasing Agent determines that a prospective Bidder or Proposer is non-responsible, the determination shall be approved by the Director and shall be in writing and set forth the basis for the determination. A copy of the determination shall be promptly sent to the non-responsible Bidder or Proposer. The Bidder or Proposer may protest the determination by following Article 29, "Protests", Sections 29.1 through 29.6. The final determination shall be made part of the procurement file.

Section 16.1 Request for Review of Responsibility

- A. In the event a Purchasing Agent has cause to question the responsibility of the low Bidder or highest scoring Proposer, a formal letter shall be sent to the Bidder or Proposer containing all information available, including the specific areas where responsibility evidence is desired.
- B. Information supplied by the Bidder or Proposer shall be evaluated by the Purchasing Agent.
- C. In the event the Bidder or Proposer is determined non-responsible, the Bidder or Proposer shall be notified in writing of the decision.

ARTICLE 17 COST OR PRICING DATA (A.R.S. 41-2543)

- A. The submission of current cost or pricing data may be required in connection with an award in situations in which analysis of the proposed price is essential to determine that the price is reasonable and fair. A Bidder or Proposer shall, when requested, submit current cost or pricing data and shall certify that, to the best of the Bidder's or Proposer's knowledge and belief, the cost or pricing data submitted is accurate, complete and current as of a mutually determined specified date.
- B. This certification may also be requested to substantiate requests for price adjustments for contracts with options to extend and any contract modification or change order.
- C. This certification may also be requested to substantiate requests for cost reimbursements pursuant to the specific terms and conditions contained in a City contract.

Section 17.1 Reimbursement

Provisions for reimbursement of costs shall, where applicable, be included in the terms of the contract and it shall be required that written approval of the Procurement Agent be obtained by the Bidder or Proposer prior to incurring costs to be reimbursed.

ARTICLE 18 **SOLE SOURCE (A.R.S. 41-2536)**

- A. A contract may be awarded for a material, service or construction without competition if the Purchasing Agent determines in writing that there is only one source for the required material or service. The Director may require the submission of cost or pricing data in connection with an award under this section. Sole source procurement shall be avoided, except when no reasonable alternative sources exist. The written determination of the basis for the sole source procurement shall be included in the contract file.
- B. The Purchasing Agent shall negotiate with the sole source Bidder or Proposer, to the extent practicable, a contract advantageous to the City.
- C. Sole Source purchases authorized by the Purchasing Agent, which exceed the formal procurement limit, shall be awarded pursuant to Article 26, "Award of Contract".

Section 18.1 Sole Source, Evidence Request

- A. Sole Source procurement shall not be used unless there is clear and convincing evidence that there is only one source as determined by the Purchasing Agent.
- B. In the event a Department or Division requests a Sole Source procurement, written evidence and report of research to support the request shall be provided to the Purchasing Agent.
- C. Negotiations involving Sole Source purchases shall not commence until the Purchasing Agent has approved the Sole Source purchase.

Section 18.2 Sole Source Justification

- A. Justification for sole source purchases, at **five thousand and one dollars (\$5,001)** and greater, are required.
- B. The Purchasing Agent shall approve, prior to any negotiation, any Sole Source purchase over **five thousand dollars (\$5,000)** pursuant to Section 18.1, "Sole Source, Evidence Request".
- C. A sole source agreement at **five thousand and one dollars (\$5,001)** and up to **forty nine thousand nine hundred and ninety nine dollars (\$49,999)** may be approved by the Director for a period up to five (5) years based on City requirements and market conditions. A sole source agreement at **fifty thousand (\$50,000)** and greater, shall be approved by City Council for a period up to five (5) years.

ARTICLE 19 **EMERGENCY PURCHASE (A.R.S. 41-2537)**

- A. Notwithstanding any other provision in this Procurement Code Manual, the Director may make or authorize others to make emergency procurements if there is a threat to public health, welfare, or safety or if a situation exists which makes compliance with the procurement process specified in Articles 10, "Formal Procurement Process—Invitation For Bids", Article 11, "Formal Procurement Process—Request For Proposals" and Article 12, "Formal Procurement Process—Professional Design Services, Capital Improvements/Construction And Construction Services" contrary to the public interest.

Emergency procurements shall be made with such competition as is practicable under the circumstances.

- B. A written determination of the basis for the emergency and for the selection of the particular Bidder or Proposer shall be included in the contract file.
- C. Emergency purchases authorized by the Director which exceed the formal procurement limit, shall be reported to the City Council, as a confirming payment.

Section 19.1 *Conditions for Emergency Purchase*

An emergency shall be deemed to exist if:

- A. There is a great public calamity;
- B. There is immediate need to prepare for national or local defense;
- C. There is a breakdown in machinery or an essential service which requires the immediate purchase of supplies or services to protect the public health, welfare or safety; or
- D. An essential departmental operation affecting the public health, welfare or safety would be greatly hampered if the prescribed formal or informal purchasing procedure would cause an undue delay in procurement of the needed item or service.

Section 19.2 *Emergency Purchase Procedure*

- A. If the emergency occurs during Purchasing Office hours, the requesting department shall contact the Director or a Purchasing Agent who shall procure or authorize the procurement of the necessary materials, services or construction and fully document the purchase.
- B. In the event the emergency occurs after Purchasing Office hours, any City employee may make any necessary procurement after receipt of authorization from the Department's or Division's Manager or Supervisor.
 - 1. By the next working day, a full report of the circumstances of the emergency purchase shall be made by the person making the purchase. The report shall be filed with the Director for inclusion in the appropriate Purchasing records; and
 - 2. If the purchase exceeded the formal bid limit, the Director and the City employee who made the emergency purchase, shall seek approval of the purchase from the City Council as a confirming payment.

ARTICLE 20 *PROCUREMENTS FROM SOLICITATION BY OTHER GOVERNMENTAL ENTITIES (A.R.S. 41-2632)*

The City may enter into contracts for the procurement of materials, services or construction pursuant to specifications, solicitations or contracts issued by other governmental entities. Such purchases shall conform to state procurement statutes and the Purchasing Agent involved shall conduct due diligence and conclude that the solicitations or contracts issued by other governmental entities conform to the purpose and spirit of this Procurement Code Manual.

Section 20.1 *Existing Contracts*

- A. When making a purchase that conforms to the purpose and spirit of this Procurement Code Manual and the purchase exceeds the City's formal bid limit, the Director shall place a written justification for the use of a contract issued by another governmental agency in the City's contract file, provided the Bidder or Proposer is willing to extend the contract to the City and the Purchasing Agent and the requesting Division obtains City Council approval prior to making the purchase.
- B. The Purchasing Agent shall execute a Purchase Order or Notice of Award referencing the applicable contract of the soliciting entity.

Section 20.2 *Joint Solicitations*

- A. When the City intends to purchase goods or services with another governmental agency through a contract with that agency and the selected Bidder or Proposer, the City may participate in any solicitation issued by that governmental agency provided:
 - 1. The Procurement Officer of the other governmental agency invites the participation or responds positively to a request by the City to participate;
 - 2. The terms and conditions of the lead agency's solicitation have been reviewed by the Purchasing Agent and the City Attorney's office and determined to be advantageous to the City; and
 - 3. The procurement process governing the solicitation substantially conforms to the purpose and spirit of this Procurement Code Manual.
- B. Another governmental agency may join in any formal solicitation issued by the City provided:
 - 1. The governmental agency will be a party to the contract which the City and the selected Bidder or Proposer will enter into; and
 - 2. The participation is not found by the Director to be disadvantageous to the City.
- C. The provisions of this joint solicitation rule do not apply to the City's participation in solicitations conducted by, but not limited to, the following governmental entities or groups of governmental entities: The Flagstaff Alliance For The Second Century, the State of Arizona, Mohave Educational Services Cooperative, the Western States Contracting Alliance (WSCA), U.S. Communities and the Strategic Alliance for Volume Expenditures (SAVE). Participation in these procurements will continue to be subject to the terms and conditions specified in their respective contracts.

Section 20.3 *Cooperative Purchasing Contract Awards*

Cooperative purchasing contracts shall be awarded as specified in Article 26, "Award of Contract".

Section 20.4 Purchases From Existing Contracts

- A. The Director or Purchasing Agent and the Requesting Division shall determine, collectively, whether using an existing contract from another governmental entity would be in the best interest of the City.
- B. The terms and conditions of the selected governmental entity's solicitation have been reviewed by the Purchasing Agent and the City Attorney's office and determined to be advantageous to the City.
- C. The Director or Purchasing Agent shall make the purchase according to all applicable sections within this Procurement Code Manual.

Section 20.5 Request for Joint Solicitation

- A. The Requesting Department shall request, in writing to the Director, participation in a joint solicitation.
 - 1. Written request shall include the volume and estimated value of the purchase, which agency is to conduct the solicitation, and benefit to the City for the joint solicitation; and
 - 2. Upon written approval, by the Director, the City's Requesting Department shall coordinate with the other entity the preparation of specifications.
- B. The procurement activity shall be conducted or coordinated by the Director or Purchasing Agent whether the City is the lead agency, or another governmental entity is the lead agency.

Section 20.6 Commitment to Purchase or Participate

The Director or Purchasing Agent, in conjunction with the requesting Division, shall determine if it is advantageous for the City to a purchase pursuant to a contract issued by another governmental entity or to participate in a joint solicitation with another governmental entity.

ARTICLE 21 BID AND CONTRACT SECURITY (A.R.S. 41-2573)

The submission of security to guarantee faithful bid and contract performance may be required. In determining the amount and type of security required for each contract, the Director shall consider the nature of the performance and the need for future protection for the City. The requirement for security must be included in the solicitation documents.

Section 21.1 Bid Bond

The Purchasing Agent shall determine, on a case by case basis, the need for Bid Security and the amount in order to protect the interest of the City, except where specifically required by A.R.S., Title 34, Public Buildings and Improvements.

- A. If required by A.R.S., Title 34, Public Buildings and Improvements, the security shall be in the form of a bid bond issued by a company authorized to issue surety bonds in the State of Arizona or a Cashier's Check made payable to the City of Flagstaff in the amount of ten percent (10%) of the vendor's total bid.

- B. Bid Security shall be returned to all but the two lowest responsible and responsive Bidders or Proposer within ten (10) days after the opening of bids, and the remaining securities returned within three (3) days after the execution of the contract.

Section 21.2 *Performance and Payment Bonds*

The Purchasing Agent shall determine, on a case by case basis, the need for a Performance and/or Payment Bond and the amount in order to protect the interests of the City, except where specifically required by A.R.S., Title 34, Public Buildings and Improvements.

- A. If required by A.R.S., Title 34, Public Buildings and Improvements, the security shall be in the form of a Performance Bond or Payment Bond issued by a person authorized to issue surety bonds in the State of Arizona, or upon approval of the Director, secured Cashier's Check made payable to the City of Flagstaff in the amount of one hundred percent (100%) of the vendor's total bid. Individual or personal sureties will not be allowed.
- B. The contract number and dates of performance must be clearly indicated in the Bond.
- C. The Director may consider other forms of Performance and Payment guarantee, depending on the project, with the concurrence of the City's Risk Manager and the City Attorney's office.

Section 21.3 *Collection of Bid Bonds*

The Purchasing Agent shall notify vendors/contractors, in writing, who fail to execute required contracts of their bond forfeiture and shall act to collect the bond amount if a surety was posted.

Section 21.4 *Enforcement of Performance Bond*

- A. The Purchasing Agent shall notify vendors/contractors, in writing, who fail to provide performance bonds of their default, initiate action to award to second low Bidder or re-bid.
- B. The City's Project Manager or Purchasing Agent shall notify the Director and the City Attorney's office of any performance deficiency in order that the City may initiate a claim against the performance bond in the event the deficiency cannot be resolved with the vendor/ contractor.

ARTICLE 22 *MULTI-TERM CONTRACTS (A.R.S. 41-2546)*

- A. Unless otherwise provided by law, a contract for materials or services may be entered into for a period of time up to five years, as deemed to be in the best interest of the City, if the term of the contract and conditions of renewal or extension, if any, are included in the solicitation and monies are available for the first fiscal year period at the time of contracting. A contract may be entered into for a period of time exceeding five years if the Director determines in writing that such a contract would be advantageous to the City and the City Council approves the contract term.
- B. Multi-term contracts shall contain provisions for cancellation by the City in the event funds are not appropriated for the continuance of the contract.

Section 22.1 *Determination for Contract Periods Over 5 Years*

- A. Written requests for contracts exceeding five (5) years shall justify the advantage to the City and indicate why more frequent competition is not practicable.

Section 22.2 *Establishment of Contract Period*

- A. The Director and requesting department shall determine the appropriate contract period based on market conditions, nature of the material or service, and applicable Contract Administration factors.
- B. Contracts due to expire prior to a formal solicitation for a new term contract award may be extended on a month to month basis, approved by the Director, to maintain organizational service levels until a new formal solicitation can be conducted and a new contract awarded.

Section 22.3 *Authority to Renew*

- A. The Purchasing Director shall have authority to renew a contract if the original contract, approved by City Council, contains a provision that allows for contract renewals upon mutual agreement of both parties and the Purchasing Director has determined in writing that the vendor is not in breach of contract and is performing satisfactorily.

ARTICLE 23 *RIGHT TO INSPECT; AUDIT (A.R.S. 41-2547 & 41-2548)*

- A. ***Right to inspect.*** The City may, at reasonable times, inspect the place of business of a contractor or any subcontractor which is related to the performance of any contract awarded or to be awarded by the City.
- B. ***Right to Audit.*** The City may at reasonable times and places, audit the books and records of any person who submits cost or pricing data to the extent that the books and records relate to the cost or pricing data, or audit the books and records of any person under any contract to the extent that the books and records relate to the performance of the contract. Any person who receives a contract, change order or contract modification for which cost or pricing data is required shall maintain the books and records that relate to the cost or pricing data for three (3) years from the date of final payment under the contract, unless a shorter period is otherwise deemed appropriate by the Director.

ARTICLE 24 *CONTRACT PROVISIONS AND AMENDMENTS (A.R.S. 41-2585)*

- A. The Director and the City Attorney's office shall require inclusion in all contracts various provisions regarding appropriate remedies, time of performance, insurance, assurance, price increase limits, options to renew, cost reimbursement and any other terms and conditions, considered to be protective clauses and advantageous to the City.

Section 24.1 *Standard Provisions*

The Director and the City Attorney's office shall prepare and make available standard contract language for contracts subject to this Procurement Code Manual and State of Arizona statutory requirements. Any modification, deletion, or addition to established contract language shall only be made with the prior approval of the Director and City Attorney's office.

Section 24.2 *Effective Dates*

All contracts shall state an effective date, initial term of the contract and any contract renewal options after the initial contract term expires and, if applicable, performance dates or notice requirements for implementation date.

Section 24.3 *Contract Review Process*

- A. All contracts shall be reviewed by the Purchasing Agent and the City Attorney's office prior to issuance of a solicitation or execution by the Bidder or Proposer for the purpose of including all applicable contract provisions advantageous to the City.
- B. When deemed appropriate, the Director may also require review and approval by other City Staff.

Section 24.4 *Contract Preparation Process*

- A. All contracts shall be referenced by a number assigned by the Procurement Agent.
- B. Contracts shall be awarded according to Section 26.1 "Notice of Intent to Award".
- C. Formal contracts, at minimum, shall be prepared and signed in triplicate. The successful Bidder or Proposer shall sign the contract first, whenever possible. The contract shall then be routed using a "Document Tracking" form to the City Attorney's office for an Attorney's signature and then routed to the City Clerk's office for signature by the City Manager or Mayor, as appropriate, and then signed by the City Clerk. The distribution of signed contracts shall be as follows: one (1) original copy to the Bidder or Proposer, one (1) original copy to be put in the solicitation file within the Purchasing Section and one (1) original copy to the City Clerk's office.

Section 24.5 *Contracts to be Maintained by the City Clerk*

- A. A copy of all original signed contracts, including any associated amendments, shall be forwarded to the City Clerk who shall assign a contract number and maintain all City wide contracts.

Section 24.6 *Contract Amendments*

Contracts may be amended if the Director, end-user and the City Attorney's office determines, in writing, that such modification is advantageous to the City, except contracts originally awarded by the City Council may be amended only with the approval of the City Council, unless the amendment is to provide necessary clarification, provided by the Director and City Attorney's office, to eliminate varying interpretation.

- A. Amendments to contracts shall include signatures of all parties signing the original contract, except where personnel changes have been made to authorized agents of a business entity or the positions of authority within the City. Contract amendments shall be drafted or reviewed by the Purchasing Section and the City Attorney's office prior to signing by the vendor.
- B. Amendments that increase the total expenditure commitment from the informal to formal procurement limit are subject to approval through the formal contract award process as required in Section 26.1 "Notice of Intent to Award".

- C. Contract amendments shall not alter the terms and conditions or scope of work to the extent that, had the contract been bid in the modified state, the resulting low Bidder could have changed, or to the extent that the bid participation could reasonably have been expected to have increased.

Section 24.7 Contract Amendment Preparation

- A. Contract amendments shall be prepared in triplicate, using the standard format provided by the Director, and shall be numbered the same as the original contract and routed in accordance with the same procedures outlined in Section 24.3, "Contract Preparation Process".
- B. Contract amendments shall be signed by all parties signing the original contract.

Section 24.8 Contract Amendment Process

- A. Changes not within the context of the original scope of work may not be accomplished with a change order, but shall require a Contract amendment and City Council approval if the contract amount is at or higher than the formal procurement limit of \$50,000.
- B. Contract amendments shall be reviewed and approved prior to the signing by the vendor in the following sequence:
 - 1. Purchasing
 - 2. City Attorney's Office
 - 3. City Council (If contract amount is at or higher than \$50,000)
- C. A copy of any contract amendment shall be sent to the Purchasing Office for inclusion in the procurement file. When applicable, a memo citing the original Purchase Order number shall be attached to the modification to authorize increase/decrease to the encumbrance by the amount needed to meet the new contractual commitment.

ARTICLE 25 CHANGE ORDERS *(Discretionary)*

A. Change Orders

The City of Flagstaff recognizes the need for City staff to review and approve change orders; task orders that exceed the City Council approved contract amounts; field orders that exceed the authorized limits; and purchase orders for capital projects that exceed the established limit in the City Procurement Code Manual.

The purpose of the Change Order Committee shall have authority to:

- 1. Review and recommend to City Council approvals, modifications, or disapprovals of design and construction change orders exceeding the time and/or dollar contractual amounts approved by the City Council;
- 2. Review and approve individual task orders for on-call consultant services that exceed \$100,000 or 365 calendar days;
- 3. Review and approve field orders that exceed \$100,000 or 60 calendar days;
- 4. Review and recommend to City Council approval of dollar and time amounts for engineering studies, feasibility studies, reports, contracts, and purchase orders for

capital projects that exceed the amount approved by the City Council or that exceed the purchasing limits, as outlined in this Procurement Code Manual; and

5. Review anticipated purchases by the City that require approval as determined by the City Manager, City Attorney, or City Director.

Section 25.1 *Change Order Process*

A change order shall be in written form for any and all changes in the contract's time, conditions or compensation. This written change shall be submitted to the Change Order Committee.

- A. Exception 1 – A Field Order, which is a written and limited change order that is issued under the Contract Allowance provision, does not require Change Order Committee action.

Staff shall have the following field order authorities:

Project Manager - \$10,000 and 10 calendar days.

Section Head - \$25,000 and 30 calendar days.

Division Head - Full contract allowance amount and 60 calendar days.

Field Orders that exceed \$100,000 or 60 calendar days require the Change Order Committee to approve the field order. The Change Order Committee can approve extensions with a “no time limit” cap, if it is a no cost change.

- B. Exception 2 – A Task Order, which is a written and limited order for a scope of work and is issued under the “On-Call” Consultant Contract, does not require Change Order Committee action.

Staff shall have the following Task order authorities:

Project Manager - \$10,000 and 10 calendar days.

Section Head - \$25,000 and 60 calendar days.

Division Head - Contract allowance, up to \$100,000 and 120 calendar days.

Task Orders that exceed \$100,000 or 120 calendar days require the Change Order Committee to approve the task order. The Change Order Committee can approve extensions with a “no time limit” cap, if it is a no cost change.

- C. Contractor may proceed with approved work only upon receipt of a fully executed Change Order and direction of the Purchasing Agent or Project Manager. Due to

extenuating circumstances, confirming change orders are allowed upon Director and Project Manager approval.

- D. Change Orders that increase the total expenditure commitment from the informal to formal procurement limit are subject to approval through the formal contract award process as required in Section 26.1 “Notice Of Intent To Award”.

- E. No change order(s) shall exceed 25% of the original contract amount of a professional services contract, 15% of the original contract amount of a construction project, 25% of the original contract amount for all other types of contracts OR \$50,000; whichever is greater without Council approval.

- F. The City's Project Manager shall be responsible for routing of the change order form and obtaining Contractor approval. One (1) original of the completed and approved Change Order(s) shall be included in the contract file maintained by the Purchasing Agent. Copies shall be sent to Purchasing immediately after all applicable reviews and approval.
- G. A copy of any Change Order shall be sent to the Purchasing Office for inclusion in the procurement file. When applicable, a memo citing the original Purchase Order number shall be attached to the Change Order to authorize increase/decrease to the encumbrance by the amount needed to make the new contractual commitment.

Section 25.2 Change Order Conditions

- A. Contract Allowance - Contract allowances of 5%, 7.5% or 10% will be added to all design and construction contracts. The allowance is based on the engineer's estimate and will be included in design contracts for recommendation of award by City Council. The allowance will also be included in the bid for construction contracts for recommendation of award by City Council.

Contract amount*

over \$1,000,000 in value
from \$999,999.99 to \$250,000
from \$249,999.99 or lower

Contract Allowance

allowance of 5%;
allowance of 7.5%
allowance of 10%.

- B. Administrative Change Orders - A ten-percent (10%) Administrative Change Order (ACO) amount may be included in all design and construction contracts to be considered by the City Council. The ACO amount is 10% of the total contract less the Contract Allowance amount. The ACO shall not exceed \$500,000.

Administrative Authorization

| <u>Contract Amount</u> | <u>Allowance</u> | <u>Administrative CO.</u> | <u>Total</u> | <u>Total Percentage</u> |
|------------------------|------------------|---------------------------|--------------|-------------------------|
| \$12,000,000 | \$600,000 | \$500,000 | \$1,100,000 | 9.2% |
| 5,000,000 | 250,000 | 500,000 | 750,000 | 15.0% |
| 1,000,000 | 50,000 | 100,000 | 150,000 | 15.0% |
| 500,000 | 37,500 | 50,000 | 87,500 | 17.5% |
| 100,000 | 10,000 | 10,000 | 20,000 | 20.0% |

Task order – These are authorized scopes of engineering/design work issued to consultants who have approved on-call contracts with the City.

Section 25.3 Change Order Membership

The Change Order Committee Members will consist of the following:

1. Public Works Director or designee
2. Utilities Director or designee
3. City Attorney or designee
4. City Engineer or designee
5. Purchasing Director or Purchasing Agent

- A. The City Manager shall designate a Chair who shall preside over all the meetings, establish agendas, and distribute meeting minutes.
- B. The Change Order Committee meets as necessary on Thursdays (as necessary) at 7:15 a.m. (during summer work hours) and 8:15 a.m. (during winter work hours) in the Council Conference Room.
- C. An electronic copy of all change orders must be submitted to the Committee Chairperson by noon on Monday to be scheduled for the following Thursday's meeting.
- D. Three original change orders, signed by the Project Manager and Department Head shall be given to the Committee Chairperson after the change order has been approved. The Committee Chairperson will obtain all other necessary signatures including the contractor or consultant and distribute copies to the Project Manager.

ARTICLE 26 **AWARD OF CONTRACT** *(City Charter)*

The City Council shall award all contracts for materials, services and construction that meet or exceed the formal procurement limit as set forth in Article 7(B), "Formal Procurement Limit." The Purchasing Director shall award all contracts less than the formal procurement limit.

Section 26.1 ***Notice of Intent to Award***

- A. Contracts requiring Council award shall be summarized in a staff summary and posted for at least five days on the City's website prior to award.
 - 1. After Council award, Purchasing shall issue a Notice of Award, along with any associated supplemental Agreement. The Notice of Award shall require that all applicable documents (e.g., insurance certificates, performance and payment bonds and signed Agreement) be submitted to the City within ten (10) days.
 - 2. The Purchasing Agent shall issue a Notice to Proceed for construction and service contracts upon receipt of the, insurance certificates, signed agreement and any applicable bid, performance and payment bonds.

ARTICLE 27 **SPECIFICATION GUIDELINES** *(A.R.S. 41-2561 through 41-2568, except Section 27.12, which is an Administrative Policy)*

The Director shall establish guidelines governing the review and approval of specifications for materials, services and construction required by the City as secured through the formal or informal procurement process.

Section 27.1 ***Content of Specifications***

The Director shall establish guidelines governing the content of specifications used in City procurements to ensure adequate competition.

Section 27.2 ***Samples/Demonstrations***

- A. Samples of materials, when required during the solicitation process, shall be submitted in accordance with the instructions in the solicitation.

- B. Samples shall be furnished, free of charge, to the City submitted with the solicitation and must be accompanied by descriptive memorandum.
- C. Bid samples may be held for comparison with deliveries pursuant to a contract award.
- D. Samples will be returned according to the time frame included in the solicitation at the Bidder's risk and subject to his expense. The City will not reimburse the vendor for any expendable/consumable items that were consumed during the bid evaluation process.

Section 27.3 *Specification Approval*

The Purchasing Agent retains the authority to approve or disapprove all specifications to be used in a solicitation.

Section 27.4 *Specifications Guidelines*

- A. A specification may provide alternate descriptions of materials, services, or construction items where two or more design, functional, or performance criteria will satisfactorily meet the City's requirements.
- B. To the extent practicable, a specification shall not include any solicitation term or condition, or any contract term or condition.
- C. To the extent practicable, if a specification for a common or general use item has been developed, or a qualified products list has been developed for a particular material, service, or construction item, it shall be used.
- D. To the extent practicable, specifications shall emphasize functional or performance criteria. When using performance specifications all brands bid shall be evaluated after receipt of bids to determine those meeting specifications.
- E. To the extent practicable, specifications shall be written as minimum standards.
- F. Unless otherwise specifically stated in the solicitation, any equipment or materials specified shall be standard, new, and state-of-the-art in quality and design, and shall comply fully with all applicable federal and Arizona laws and regulations.

Section 27.5 *Maximum Practicable Competition; Brand Name or Approved Alternate; Qualified Products List*

- A. ***Maximum Practicable Competition.*** All specifications shall seek to promote overall economy for the purposes intended and encourage competition in satisfying the City's needs and shall not be unduly restrictive.
 - 1. To the extent practicable and unless otherwise permitted by this section, all specifications shall describe the City's requirements in a manner that does not unnecessarily exclude a specific material, service or construction item.
 - 2. Proprietary or brand name specifications shall not be used unless the Director determines in writing that such specifications are required and demonstrate technological justification and that it is not practicable or advantageous to use a less restrictive specification.

3. To the extent practicable, the City shall use accepted commercial specifications and shall procure standard commercial materials and avoid proprietary specifications whenever practicable.
- B. **Brand name or approved alternate.** A brand name or approved alternate specification shall only be used when the Director determines in writing that use of a brand name or approved alternate specification is advantageous to the City and the solicitation provides for the submission of equivalent products. The solicitation document shall state that “the City reserves the right to determine what is considered an equivalent product.”
1. A brand name or approved alternate specification shall designate as many different brands as are practicable or approved alternate specifications.
 2. A brand name or approved alternate specification shall include a description of the particular design, functional, or performance characteristics that are required, unless the Director determines in writing that the essential characteristics of the brand names designated in the specifications are commonly known.
 3. A solicitation that uses a brand name or approved alternate specification shall explain that the use of a brand name is for the purpose of describing the standard of quality, performance, and characteristics desired and is not intended to limit or restrict competition. The solicitation shall state that products substantially equivalent to those brands designated shall qualify for consideration.
- C. **Qualified products list.** A qualified products list may be prepared and utilized, if the Purchasing Agent determines in writing that testing or examinations of the material or construction items prior to the issuance of the solicitation is desirable or necessary in order to best satisfy the City's requirements. As many potential suppliers as practicable shall be solicited to submit products for testing and examination to determine acceptability for inclusion on a qualified products list. Any potential supplier, even though not solicited, may offer its products for consideration in accordance with the schedule or procedure established for this purpose. The qualified products list shall not be modified after the solicitation is issued.

Section 27.6 *Inspections and Tests*

- A. The inspection or testing of any material to verify specification adherence or qualify for a products list, shall be performed in a manner established on a case by case basis.
- B. If testing is required, the requirements shall be included in the solicitation.
- C. The City reserves the right to require testing or inspection by a recognized testing laboratory or consultant selected by the City.
- D. The cost of testing or inspection shall be borne by the Bidder submitting a bid for the products the City is requesting.

Section 27.7 *Proprietary Specifications*

Proprietary specifications are not justified by past success in performance, the inconvenience of writing specifications, or the desire to maintain a single brand that is not supported by technological justification.

Section 27.8 *Product Testing Guidelines*

City Staff may test materials or services in a manner agreed upon with the material or service supplier provided the following guidelines are applied:

- A. City Staff is not required to test solely for supplier's benefit;
- B. City Staff may not accept materials for testing unless those materials have been purchased through purchasing procedures provided by this Procurement Code Manual;
- C. Any testing shall be at the direction and convenience of City staff;
- D. The City's name may not be used by any person in connection with any advertising sale, or promotion of any product tested by the City staff; and
- E. Any materials testing shall be pursuant to industry standard testing of materials and a written testing agreement shall be in place between the City and the supplier. The Director must be notified of all testing agreements prior to commencement of testing.

Section 27.9 *Specifications Prepared by Architects; Engineers; Consultants*

All specifications prepared for City contracts shall seek to promote overall economy for the purposes intended and encourage competition in satisfying the City's needs and shall not be unduly restrictive. In the event that suitable specifications cannot be developed by City staff, the Director may retain a specification consultant for the purpose of assisting with the writing of the specifications. The consultant shall be selected pursuant to either Section 7.1, "Informal Procurement Process", or Article 11, "Formal Procurement Process—Request for Proposals".

Section 27.10 *Preparation of Specifications by Persons Other than City Personnel*

- A. The City may contract for the preparation of specifications with persons other than City personnel including, but not limited to, consultants, architects, engineers, designers, manufacturers, and others.
- B. The requirements of Article 27, "Specifications Guidelines" shall apply to all specifications prepared by vendors, including, but not limited to, those prepared by consultants, architects, engineers, designers, and other draftsmen of specifications for public contracts. Contracts for the preparation of specifications by other than City personnel shall require the specification writer to adhere to such requirements.
- C. The preparer of specifications is not eligible to submit a bid or proposal on the solicitation for which the specification was prepared nor is the preparer eligible to supply any product to a Bidder or Proposer on the solicitation for which the specification was prepared; provided however, the Director may make an exception to this provision when justified by the business practices of the applicable industry or it is otherwise in the best interest of the City. The Purchasing Agent shall place in the solicitation file, a written determination, including all relevant facts in any case where an exception is made.
- D. The terms and conditions of contracts for preparation of specifications shall reference the rule in Subsection C above.

Section 27.11 *Recycled and energy consumptive materials; life cycle costing; environmental procurement.*

Guidelines shall be established governing the review and approval of specifications for the procurement of selected materials based on considerations of recycling, energy conservation, life cycle costing and other environmental considerations.

Section 27.12 *Environmental/Sustainable Procurement Policy*

- A. A Sustainable Purchasing Policy, hereinafter referred to as Policy, has been established to ensure the procurement of products and services that reduce the consumption of resources and the production of waste, minimize adverse health effects and reduce costs to the City.

The principles of the Policy are rooted in resource efficiency, life cycle perspective, and pollution prevention. Resource efficiency incorporates preference to reusable content and recycled materials over virgin materials, as well energy and water conservation. Life cycle perspective considers the environmental impact of a product or service over its lifetime (raw material extraction, manufacturing, packaging, transport, energy consumption, maintenance and disposal). Pollution prevention incorporates processes and practices that prevent the creation of pollution and wastes, rather than managing these after they have been created.

The Policy requires the City to:

1. Strongly promote the purchase and use of materials, products and services that are fiscally responsible, reduce resource consumption and waste, promote local business opportunities, and promote human health and well-being.
 2. Minimize the consumption of non-replaceable natural resources by reviewing current and proposed future usage and evaluating the pros and cons of alternatives.
 3. Maximize the reuse and recycling of materials. Require a minimum 50% post-consumer waste recycled content for paper. Require recyclability of products in compliance with the City's recycling program, reusability, and performance consistent with City standards to the extent practicable.
 4. Use and require contractors and consultants to use products manufactured with maximum practical amount of recovered material, especially post-consumer material.
 5. Stimulate demand for products and services supporting the Policy by letting manufacturers and suppliers know the performance the City expects.
- B. The Sustainability Program staff shall provide support to Purchasing and Division Staff in their efforts to meet the requirements of the Policy.
- C. Procedures and Guidelines may be established as necessary to ensure the continuation of a strong Sustainable Procurement Program.

ARTICLE 28 **DISPOSITION OF SURPLUS PERSONAL PROPERTY (CITY CHARTER)**

A. *Surplus Personal Property Disposition*

The City Council or designee, may sell, trade, transfer between offices, Divisions or otherwise dispose of surplus personal property pursuant to Article 8, "Contracts", Sections 4, "Transfer and Sale of property Within City Government", and Section 10, "Sale of City Property", number 1 and 3 of the Flagstaff City Charter. Each sale shall be made to the highest responsible Bidder after published notice of the sale in accordance with the following schedule:

1. Informal Process: Personal property having a value of \$500.00 or less may be sold without published notice, but written advice of such sale or disposal shall be given to the City Council.
2. Formal Process: Personal property valued in excess of \$500.00 shall be sold after published notice of the sale for at least once, but not less than five (5) days prior to the published notice. .
 - 2.1 All personal property disposition under a formal process, shall be sold by public on-site auction, public on-line bidding process or through a formal competitive sealed bid sale process.
 - 2.2 Any surplus property shall be sold through a formal competitive sealed bid sale, when it is more advantageous to the City than holding it for public on-site auction or public on-line bidding.
 - 2.3 All formal sealed bid sales shall be conducted in a manner substantially similar to the procedures established in Article 10, "Formal Procurement Process— Invitation For Bids" and shall include a description of the property for sale and all terms and conditions applicable to the sale.
 - 2.4 Public notice of any sealed bid sale shall be published at least once in the official newspaper, not less than five (5) days prior to the opening of the bids.
 - 2.5 Any surplus property sold under this formal competitive sealed bid sale process, shall be sold to the person making the highest responsive, responsible, offer most advantageous to the City.

Property seized during the course of a police investigation shall not be subject to this Procurement Code Manual until such time as any State and Federal laws have been complied with and the property is declared surplus by the Police Department.

B. *Declaration Regarding Surplus Property*

The disposition of all City owned surplus property shall be determined and handled by the City's Central Warehouse. Divisions shall be responsible for property in their possession and as necessary, may declare such property as surplus and shall complete a surplus property form with all required signatures. This form is available on the City of Flagstaff CityNet and shall accompany all items taken to the Warehouse as surplus property and need to reflect whether the item(s) are operational or not, so the information can be given to Bidders.

Section 28.1 *Organizational Need*

Prior to pursuing any method for disposal of surplus property, the Division or end-user shall first determine that it is of no use to any other Division. Divisions shall review inventories of personal property to determine the existence of excess or obsolete items that could be declared surplus property and shall notify the Central Warehouse Manager.

Section 28.2 *Surplus Property Listing*

A listing of surplus property shall be maintained by each Division and such property shall be transferred between Divisions as needed prior to any other disposition method handled by the Central Warehouse. The Central Warehouse shall maintain a surplus property list of all items that are located at the Central Warehouse and scheduled to be sold either through a public on-site auction or public on-line bid sale.

Section 28.3 *Surplus Property Trade-In Allowance*

Prior to trading for credit against a new purchase or service, the Purchasing Agent shall determine the fair market value and document the disposal in the surplus item file with reference to the Purchase Order for the new goods or services.

Section 28.4 *Proceeds From Sales*

All proceeds from the sale of surplus property shall be deposited in an established revenue account of the City determined by the Finance Director.

Section 28.5 *Donation of Surplus Property*

Surplus personal property may be donated to organizations in exchange for services that would benefit the local Flagstaff community, where such value would exceed the revenues generated from a sale through an auction or sealed bid, as determined in writing by the Director. For donations valued in excess of \$50.00, the receiving organization shall execute a receipt or contract according to how the donation will be used. Any donation, exceeding \$500.00 in value, shall be approved by the City Council.

ARTICLE 29 *PROTESTS (Discretionary)*

An actual or prospective Bidder or Proposer, who is aggrieved in connection with the solicitation or award of a contract, may protest any aspect of a solicitation prior to award of a contract.

Section 29.1 *Time for Filing Protests*

- A. Protests based upon alleged improprieties in a solicitation that are apparent before the solicitation due date shall be filed not less than five (5) working days before the solicitation due date. Contracts shall be final and no protest pursuant to this section may be filed after award.
- B. In cases other than alleged improprieties in a solicitation, protests shall be filed within ten (10) days after the aggrieved person knows or should have known the facts and circumstances upon which the protest is based. However, in no event, shall the protest be filed later than ten (10) days after issuance of notification of award.

Section 29.2 *Filing of a Protest*

- A. A protest shall be submitted, in writing, to the Director and shall include the following information:
 - 1. The name, address, telephone number and e-mail address of the Protestant;
 - 2. The signature of the Protestant or its representative;
 - 3. Identification of the solicitation and contract number;
 - 4. A detailed statement of the legal and factual grounds of the protest, including copies of relevant documents; and
 - 5. The form of relief requested.
- B. The Director, without waiving the City's right to dismiss the protest for lack of timeliness, may consider any protest that is not filed timely.
- C. The Director shall give notice of the protest to the successful vendor if award has been made, or if no award has been made, to all actual or prospective Bidders or Proposers.
- D. The Director shall review the formal protest and issue a written ruling within fourteen (14) days of receiving the formal protest in accordance with Section 29.1, "Time for Filing Protests", and Section 29.2, "Filing of a Protest". The Director may also give notice of the ruling to any other persons involved in the solicitation whose interests may be affected by the ruling requested from the Director.
- E. If the Director fails to issue a decision within the time limits set forth in subsection (D) of this section, the protestant may proceed with a request for a hearing as if the Director had issued an adverse decision.

Section 29.3 *Stay of Procurements During the Protest*

In the event of a timely protest under Section 29.1, "Time for Filing Protests", the City may proceed further with the solicitation or with the award of the contract unless the Director makes a written determination that there is a reasonable probability that the protest will be sustained or that the stay of procurement is not contrary to the substantial interests of the City.

Section 29.4 *Confidential Information*

- A. Material submitted by a Protester shall not be withheld from an interested party except to the extent that the withholding of information is permitted or required by law or as determined pursuant to Procurement Code Manual provisions for confidential material.
- B. If the Protester believes the protest contains material that should be withheld, a statement advising the Director of this fact shall accompany the protest submission.

Section 29.5 *Remedies*

- A. If the Director sustains the protest in whole or part and determines that a solicitation or proposed contract award does not comply with the procurement statutes and regulations, the Director shall implement an appropriate remedy.

- B. In determining an appropriate remedy, the Director shall consider all the circumstances surrounding the procurement or proposed procurement including, but not limited to, the seriousness of the procurement deficiency, the degree of prejudice to other interested parties or to the integrity of the procurement process, the good faith of the parties, costs to the City, the urgency of the procurement and the effect of the relief.
- C. An appropriate remedy may include one or more of the following:
 - 1. Reissue the solicitation and award a contract consistent with this Procurement Code Manual; or
 - 2. Such other relief as is determined necessary to ensure compliance with the City Charter, City ordinances and/or this procurement Code Manual.

Section 29.6 Dismissal Before Hearing

The Director shall dismiss a protest, upon a written determination, before scheduling a hearing if:

- 1. The protest does not state a valid basis for protest; or
- 2. The protest is untimely pursuant to Article 29, "Protests".

ARTICLE 30 HEARINGS (Discretionary)

These procedures apply to a claim or controversy by an interested party arising out of a solicitation issued by the City, a proposed award of a City contract, or a debarment from the City procurement process. Hearings required or permitted by this Procurement Code Manual shall be conducted by the City Manager or designee.

Section 30.1 Request for Hearing

- A. If a controversy or formal protest is not resolved by the Protestant and the Director, the Protestant may request a hearing in writing ("Hearing Request"), to the Director, within ten (10) days. The hearing will be conducted by the City Manager, or the City Manager's designee ("Hearing Officer") and shall be held within thirty (30) days after the Hearing Request is received by the Director, unless the parties agree otherwise.
- B. Award of a City contract may be postponed if a timely Hearing Request is received.

Section 30.2 Rights and Responsibilities

- A. Generally. Parties may be requested by legal counsel at the hearing before the Hearing Officer. A party may present testimony and documentary evidence and argument with respect to the issues and may examine and cross examine witnesses.
- B. Preparation. A party shall have all witnesses, documents and exhibits available on the date of the hearing.
- C. Exhibits. A party shall provide a copy of each exhibit to all other parties at the time the exhibit is offered to the Hearing Officer, unless it was previously provided to the other parties.

Section 30.3 *Ex Parte Communications*

- A. A party shall not communicate, either directly or indirectly, with the hearing Officer about any substantive issue in a pending matter unless:
 - 1. All parties are present;
 - 2. It is during a public meeting of the City Council of which notice was given as required by the Arizona Revised Statutes and City ordinances;
 - 3. It is during a scheduled proceeding, where an absent party fails to appear after proper notice; or
 - 4. It is in writing with copies to all parties.
- B. All parties shall not file a document or send a letter to the Hearing Officer without sending a copy to the other parties. All parties shall make sure that all other parties are notified and given a copy of any document sent to a Hearing officer.

Section 30.4 *Conduct of Hearing*

- A. Recording of Hearing. The Hearing Officer will have a recording made of the hearing at the expense of the City. To maintain the objectivity of the hearing record, the Hearing Officer shall control the process of making the recording during the hearing. If the Protestant or its representatives request a transcript of the proceeding, it shall pay the costs to the City, in burdened staff time or actual cost of a contract stenographer, of creating the transcript.
- B. Opening. The Hearing Officer shall begin the hearing by stating the nature and scope of the hearing, and identifying the parties, counsel, and witnesses for the record.
- C. Stipulations. The Hearing officer shall enter into the record any stipulation, settlement agreement, or consent order entered into by any of the parties before or during the hearing.
- D. Opening Statements. The Protestant may make an opening statement at the beginning of a hearing. All other parties may make statements in a sequence determined by the Hearing Officer.
- E. Order of Presentation. After opening statements, the Protestant shall begin the presentation of evidence, unless the parties agree otherwise or the Hearing Officer determines that requiring another party to proceed first would be more expeditious or appropriate, and would not prejudice any other party.
- F. Examination and Documentary Evidence. A party shall conduct direct and cross examination of witnesses on the order and manner determined by the Hearing Officer to expedite and ensure a fair hearing. The Hearing Officer shall make rulings necessary to prevent argumentative, repetitive, or irrelevant questioning and to expedite the examination. The rules of evidence do not apply, and the Hearing Officer may admit evidence over hearsay or other objections where the offered evidence has substantial probative value and reliability. The Hearing Officer shall mark exhibits and admit them into the record as evidence as the parties present them. Copies of records and documents prepared in the ordinary course of business may be admitted. Summary accounting records may be admitted subject to satisfactory proof of the reliability of the summaries.

- G. Closing Argument and Post Hearing Memoranda. When all evidence has been received, parties shall have the opportunity to present closing argument, in a sequence determined by the Hearing Officer. The Hearing Officer may permit or require closing oral argument to be supplemented by written memoranda. The Hearing officer may permit or require written memoranda, as well as proposed findings, to be submitted simultaneously or sequentially after the hearing.
- H. Conclusion of Hearing. Unless otherwise provided by the Hearing Officer, the hearing is concluded upon the submission of all evidence, the making of final argument, or the submission of all post hearing documents, whichever occurs last.
- I. Closing of the Hearing Record. At the end of the hearing, the Hearing Officer shall set deadlines for submission of post hearing filings and the date for the closing of the record.
- J. Findings. The Hearing Officer shall issue written findings within ten (10) days of the close of the record. The original of the findings shall be sent to the City Clerk with copies to the City Council and the parties.

Section 30.5 *Failure of Party to Appear for Hearing*

If a party fails to appear at a hearing, the Hearing officer may proceed with the presentation of the evidence of the party who is present.

Section 30.6 *Witnesses*

All witnesses at the hearing shall testify under oath or affirmation.

Section 30.7 *Burden of Persuasion*

Unless otherwise provided by law:

1. The party asserting a claim, right, or entitlement has the burden of persuasion; and
2. A party asserting an affirmative defense has the burden of establishing the affirmative defense.

Section 30.8 *Disruptions*

A person shall not interfere with access to or from the hearing room, or interfere, or threaten interference with the hearing. If a person interferes, threatens interference, or disrupts the hearing, the Hearing Officer may order the disruptive person to leave or be removed.

Section 30.9 *Hearing Record*

- A. Maintenance. The City clerk shall maintain the official record of a matter.
- B. Transfer of Record. Any party requesting a copy of the record or any portion of the record shall make a request to the City Clerk and shall pay the costs of duplication, based upon the City's copying charges.
- C. Release of Exhibits. Exhibits shall be released:
 1. Upon the order of a court of competent jurisdiction ; or

2. Upon written request of the party who submitted the exhibits if the time for judicial appeal has expired and no appeal is pending.

Section 30.10 *Finality of Hearing Officer's Findings*

- A. The Hearing officer's findings shall be final and documented in written format and made part of the solicitation file.

ARTICLE 31 SUSPENSION, DEBARMENT (A.R.S. 41-2613)

- A. The Director may suspend or debar any person from consideration for award of a contract pursuant to this Procurement Code Manual. Suspension of any person shall not exceed six (6) months. A debarment shall not exceed three (3) years.
- B. The causes for debarment or suspension may include, but are not limited to, the following:
 1. Conviction of any person or any subsidiary or affiliate of any person for commission of a criminal offense arising out of obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of such contract or subcontract.
 2. Conviction of any person or any subsidiary or affiliate of any person under any statute of the Federal Government, this State or any other state for embezzlement, theft, fraudulent schemes and artifices, fraudulent schemes and practices, bid rigging, perjury, forgery, bribery, falsification or destruction of records, receiving stolen property or any other offense indicating a lack of business integrity or business honesty which affects responsibility as a City contractor.
 3. Conviction or civil judgment finding a violation by any person or any subsidiary or affiliate of any person under state or federal antitrust statutes.
 4. Violations of contract provisions of a character which are deemed to be so serious as to justify debarment action, such as either of the following:
 - a. Knowingly failing without good cause to perform in accordance with the specifications or within the time limit provided in the contract.
 - b. Failure to perform or unsatisfactory performance in accordance with the terms of a contract, except that failure to perform or unsatisfactory performance caused by acts beyond the control of the contractor shall not be considered to be a basis for debarment.
 5. Any other cause deemed to affect responsibility as a City contractor, including suspension or debarment of such person or any subsidiary or affiliate of such person by another governmental entity for any cause listed in the established rules.
- C. Before imposing a suspension or debarment, the Director shall give the affected party written notice of the grounds for suspension or debarment and shall afford such person an opportunity for hearing.

Section 31.1 *Resolution of Contract Controversies - Materials, Services and Construction Contracts*

- A. The Purchasing Agent and the end-user shall have the authority and responsibility to enforce all performance and terms under all contracts where they are named as Administrator.
- B. If any issue regarding performance under the contract cannot be resolved by mutual agreement between the Purchasing Agent/end-user and the Vendor/Contractor shall, through the City Attorney's Office, pursue resolution as provided in the terms of the original contract or under applicable law. The Purchasing Agent shall prepare a written decision informing the vendor of the required performance.
 - 1. Final written decision shall include:
 - a. A description of the controversy;
 - b. A reference to the pertinent contract provision;
 - c. A statement of the factual areas of agreement or disagreement;
 - d. A statement of the decision, with supporting rationale; and
 - e. Instructions for appeal

After preparation of the decision, the Contract Administrator shall send the decision to the Director who shall deliver the decision to the Vendor/Contractor by certified mail, return receipt requested, or by any other method that provides evidence of receipt.

- C. If the Vendor/Contractor fails to comply with all terms of the notice of final decision, the Vendor/Contractor may be declared in default and the contract may be terminated based upon the review and procurement/legal opinion from the Director and City Attorney's Office.

The Vendor/Contractor may be suspended or debarred under the provision of Article 31, "Suspension, Debarment". The Director may render a decision for the suspension and debarment of the Vendor/Contractor if violations of contract provisions of a character which are deemed to be so serious as to justify debarment action, such as either of the following:

- a. Knowingly failing without good cause to perform in accordance with the specifications/scope of work or within the time limit provided in the contract.
- b. Failure to perform or unsatisfactory performance in accordance with the terms of a contract, except that failure to perform or unsatisfactory performance caused by acts beyond the control of the Vendor/Contractor shall not be considered to be a basis for debarment.

ARTICLE 32 *SEVERABILITY (Discretionary)*

If any article, paragraph, sentence, clause, or phrase of this Procurement Code Manual or its application to a particular set of persons or circumstances is for any reason declared invalid or unconstitutional by the decision of any court or competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Procurement Code Manual, it being the intent that the provisions of this Procurement Code Manual are severable.

Memorandum

10.

CITY OF FLAGSTAFF



To: The Honorable Mayor and Council
From: Kevin Burke, City Manager
Date: 06/04/2013
Meeting Date: 06/11/2013

TITLE:

Dew Downtown Ski & Snowboard Festival Options.

DESIRED OUTCOME:

Provide directions to staff regarding the future of this special event.

INFORMATION:

During the approval process for the 2013 street closure associated with the Dew Downtown Urban Ski and Snowboarding Event, Council conditioned approval upon investigation into two items—is there another location in town, and could someone other than the City perform this event?

To answer the first question, our Geographic Information Systems (GIS) group in IT was asked to research all City streets that had the following criteria:

- The slope of the street must a 5% or higher; and
- The street segment must be longer than 500 feet; and
- It cannot eliminate business or residential access.

This process revealed 18 possible sites in addition to the current location on North San Francisco. An overview map and a map of each possible location are attached. The following is a complete list of the possibilities:

- A. Coconino Community College
- B. Desilva Avenue
- C. E. Butler Ave near Foxglenn Park
- D. E. Butler Ave Near Sinagua Middle School
- E. E. Forest Avenue Near NACET
- F. E. Soliere off Fourth Street
- G. East of Hospital Properties
- H. Empire Avenue north of Mall
 - I. Forest Meadows near Harkins Theatre
- J. Fourth Street near Mount Eldon Middle School
- K. Fourth Street north of Butler
- L. Huntington Drive near Wal-Mart
- M. N. Creekside Drive near Fort Valley Road
- N. North Leroux Street
- O. North Switzer Canyon Drive
- P. North Turquoise Drive
- Q. NORTH SAN FRANCISCO (current site)
- R. South lone Tree between Pine Canyon and CCC Entrance

S. Lone Tree adjacent to I-40

After being presented with these sites, staff reviewed the locations for additional criteria including public parking, viewing, location for vendors, and access or traffic issues. With these conditions, the following sites were eliminated:

- A. Coconino Community College - The site has only 500 parking spaces, all of which are located in the parking lot. The downtown site makes arrangements for 2,000 parking spaces. There is an alternative access point, but it would definitely create a choke point in traffic flow into and out of the campus.
- B. Desilva Avenue – Would block the only access to apartment complex. All parking is private lots with some operational conflicts (i.e., hospital and shopping center).
- D. East Butler – Would require a full shutdown of Butler from Fourth Street east to Sinagua Heights. Good quantity of parking at FUSD Administration Office, Sinagua, Knoles and Foxglenn although public would have to navigate through Sinagua to get to parking on east side. Butler is an east-west arterial. Closing it would significantly impact traffic flow. Most importantly, Fire Station 4 on Butler would have limited western access which is a critical part of its coverage area.
- F. Soliere – no parking
- G. East of Hospital –all private parking including the lot of the emergency room. Quick access to medical care if injuries though there would be difficult access to the course. Road is shown as public but is actually gated by an unknown entity.
- H. Empire – no parking and an intersection. Difficult for viewers to access as the entrance from Hwy. 89 would be shut off. Start of course adjacent to Hwy. 89 causing safety concerns.
- I. Forest Meadows by Harkins – all private parking. Harkins parking is big, but also running a business that fills the lot. Some office complex parking possible with permission.
- J. 4th Street & MEMS. Parking at MEMS could not be accessed because blocked by course. Residents on east side of course could not access their driveways and alleys to east or residences not passable or accessible by houses. Good parking if we can get permission at Catholic Church, East Branch Library/CCC, Puente de Hozo, North Fourth Street churches.
- K. 4th Street North of Butler – Would require full closure of Fourth Street. FUSD Administration parking is limited. Sinagua Parking far. Traffic access has difficult detour through Sinagua.
- M. N Creekside – No parking and a long detour for residents. Could have 180 backup issues similar to peak snow play days.
- O. North Switzer Canyon – insufficient parking
- P. N. Turquoise – insufficient parking
- R. S. Lone Tree by Pine Canyon – insufficient parking
- S. Lone tree & I-40 – possible parking at NAU and Kinsey, but complete shutdown of Lone Tree requires long detour and access issues.

This leaves five (5) sites, one of which is the current site. A second site is the original proposed site (N. Leroux) in which adjacent property owners strongly objected to. An analysis of the three remaining sites:

Site C - E. Butler Avenue near Foxglenn Park - Good parking at Foxglenn and Knoles a bit farther. Complete closure of Butler would be problematic as it is the primarily east-west arterial. However, could close southern (eastbound) lanes and make northern (westbound) lanes two-way. Traffic and safety issues a concern. All viewers need to be on South side of road. Vendor booths and festival in Foxglenn.

Site E – East Forest Avenue near NACET. Decent parking at Buffalo Park and possibly at City property where materials are stored. Booths likely located on the Buffalo Park side. Would recommend complete shut-down of Forest to ensure safety. This creates traffic flow issues in City as a primary east-west corridor with limited alternative access; however, could route through Caven development on south side of Forest. Alternative is to shut down northern three lanes and reduce traffic to two lanes east and west on south side of the road. Sidewalk and land on north side provide viewing.

Site L – Huntington Near Wal-Mart. Parking is challenging but perhaps possible. Parking at Aquaplex

available. Parking at Gore, Horizon Moving and Storage and at Wal-Mart all require permission. Closure of Huntington would require significant detour but available. Viewing good and space at bottom of course for booths.

This provides an analysis of alternative sites. While these are possible, the steering committee, which consists of staff, sponsors, and an event promoter, recommend staying on the San Francisco site. The uniqueness of the event is the “urban” aspect of skiing between buildings, on pavement, with close proximity of shops. The economic vitality aspect of the event is best achieved with close proximity of stores and restaurants to capture spectators’ expenditures. The three alternative sites do not offer these features.

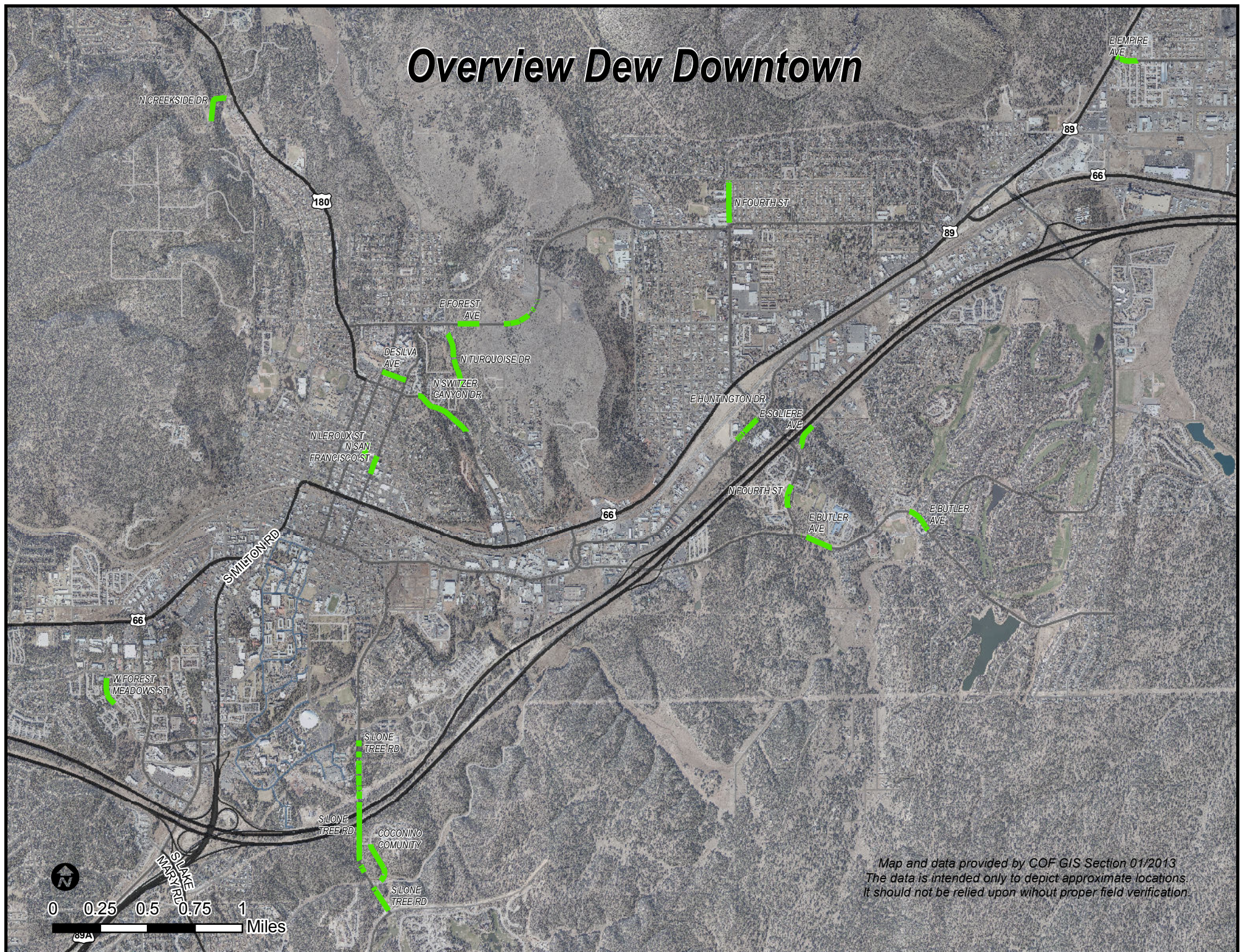
As to the second question, can a private group run this event, staff offers the following information. Review of the expenses, operations and logistics of this event leads us to say yes, but not without City participation. The ability to move snow in a timely manner and at the scale necessary is a sizable barrier to entry. The cost for a private event sponsor to hire the size and number of pieces of equipment is not recoverable through sponsorships and entry fees. That in-kind contribution would be critical to a private firm operating the event. The amount of in-kind staff time associated with event coordination and promotion is significant. Currently, this is absorbed by the Events program in Recreation and then Recreation, CVB, Parks, and Streets staff the week of the event. Lastly, there are pros and cons associated with liability insurance. A private non-profit may have trouble acquiring the insurance necessary for such an event. The City pays no additional money for this event, but has a full risk management program in place to help reduce the cost and a significant premium that already covers events. On the flip side, the propensity to make claims against the City with the perception of “big pockets” is probably higher than a small firm. Lastly, the procurement issues might be somewhat tricky in transferring a City event to a single promoter. These would still need to be worked out.

However, if the City was able to offer a partnership for these services, staff believes a private event sponsor might be capable and willing to present the event. If Council is interested in offering the partnership, staff will further explore the logistics of a transfer. However, it would likely not be possible in advance of the February 2014 event.

Lastly, the event is contingent upon the street closure. Everything originates from what to-date has been a very tenuous approval. This lends to less stability in the event and more scrambled planning. Staff will be requesting a street closure approval for the next three years.

Attachments: [Alt Map](#)
[Alt Map](#)

Overview Dew Downtown



Coconino Community College

Possible alternate access to school through driveway

LONE TREE RD

ZUNI DR

Criteria for suitability is similar to original Dew Downtown location on N San Francisco Street: slopes must be 5% grade or higher, not restrict business or residential access, and road segment must be longer than 500 feet.



0 75 150 225 300 Feet

Map and data provided by COF GIS Section 01/2013
The data is intended only to depict approximate locations.
It should not be relied upon without proper field verification.

Desilva Avenue

BEAVER ST

Access to apartments is only limiting factor

DESILVA AVE

LEROUX ST
COLUMBUS AVE

SAN FRANCISCO ST

Criteria for suitability is similar to original Dew Downtown location on N San Francisco Street: slopes must be 5% grade or higher, not restrict business or residential access, and road segment must be longer than 500 feet.



0 50 100 150 200 Feet

Map and data provided by COF GIS Section 01/2013
The data is intended only to depict approximate locations.
It should not be relied upon without proper field verification.

E Butler Ave near Foxglenn Park

Course must end here to allow residential access

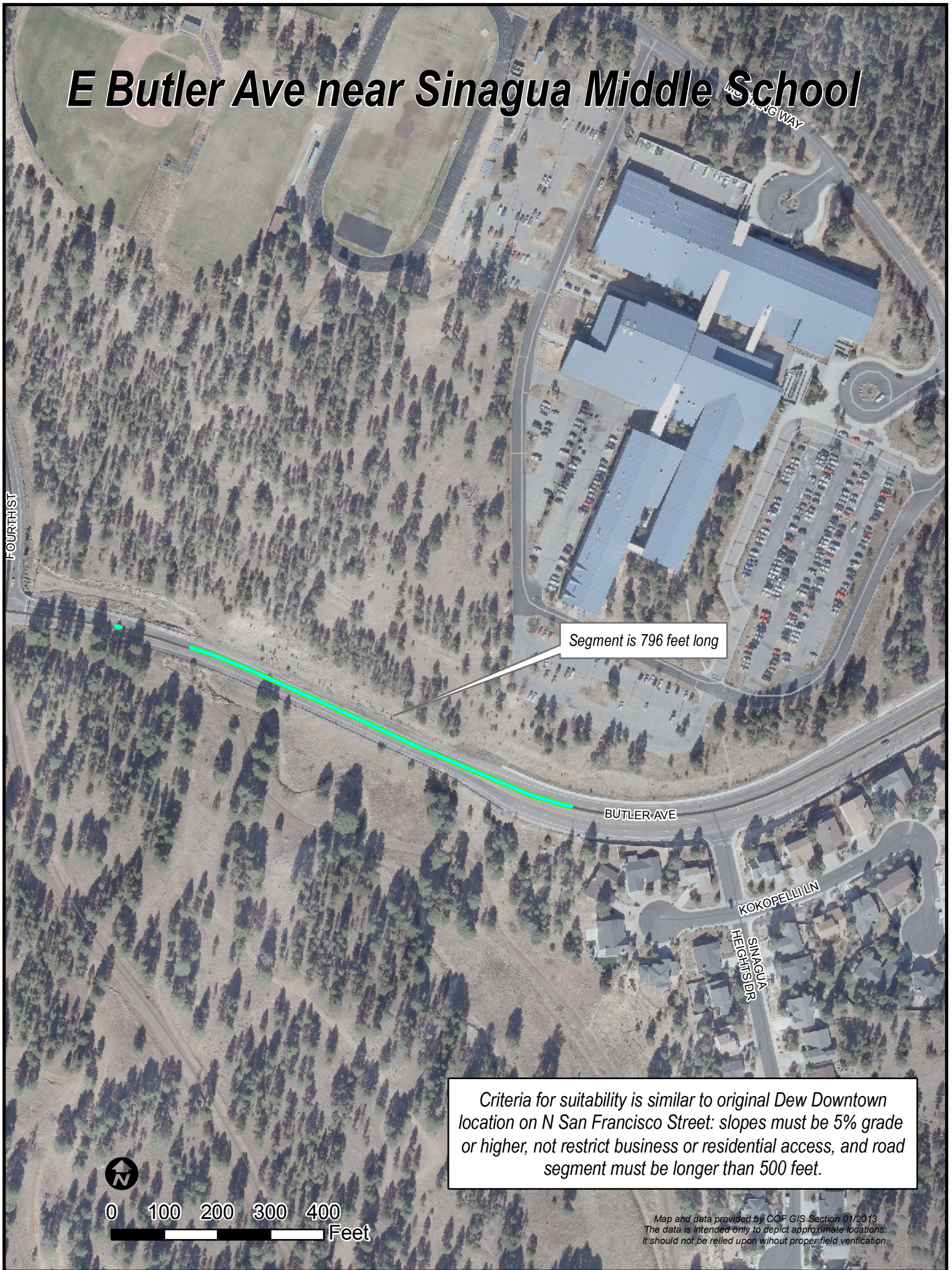


0 50 100 150 200 Feet

Criteria for suitability is similar to original Dew Downtown location on N San Francisco Street: slopes must be 5% grade or higher, not restrict business or residential access, and road segment must be longer than 500 feet.

Map and data provided by COF GIS Section 01/2013
The data is intended only to depict approximate locations.
It should not be relied upon without proper field verification.

E Butler Ave near Sinagua Middle School



E Forest Ave near USGS

2 possible courses. Traffic could be routed around on Gemini, Turquoise, and Ponderosa Parkway

FOREST AVE

Criteria for suitability is similar to original Dew Downtown location on N San Francisco Street: slopes must be 5% grade or higher, not restrict business or residential access, and road segment must be longer than 500 feet.

0 150 300 450 600 Feet

Map and data provided by COF GIS Section 01/2013
The data is intended only to depict approximate locations.
It should not be relied upon without proper field verification.

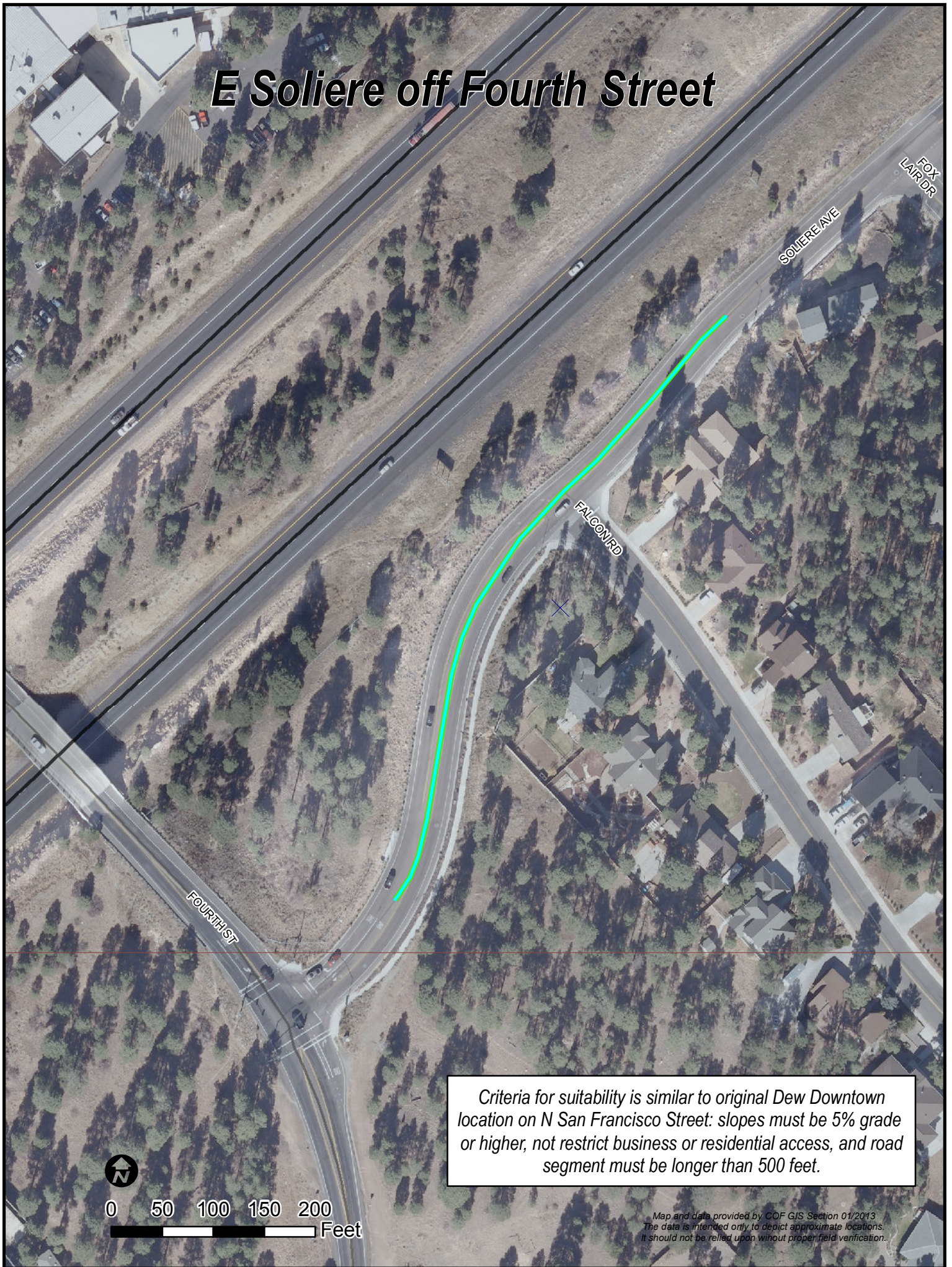
CEDAR AVE

GEMINI DR

TURQUOISE DR

PINE CLIFF DR

E Soliere off Fourth Street



Criteria for suitability is similar to original Dew Downtown location on N San Francisco Street: slopes must be 5% grade or higher, not restrict business or residential access, and road segment must be longer than 500 feet.

Map and data provided by COF GIS Section 01/2013
The data is intended only to depict approximate locations.
It should not be relied upon without proper field verification.

East of Hospital Properties

Was included in original analysis, but now eliminated. Located on private property

TURQUOISE DR

SAN FRANCISCO ST



0 75 150 225 300 Feet

Criteria for suitability is similar to original Dew Downtown location on N San Francisco Street: slopes must be 5% grade or higher, not restrict business or residential access, and road segment must be longer than 500 feet.

Map and data provided by COF GIS Section 01/2013
The data is intended only to depict approximate locations.
It should not be relied upon without proper field verification.

Empire Ave north of Flagstaff Mall off of US89

Because of it's close location to US89, this location could be problematic

EMPIRE AVE

Criteria for suitability is similar to original Dew Downtown location on N San Francisco Street: slopes must be 5% grade or higher, not restrict business or residential access, and road segment must be longer than 500 feet.

0 30 60 90 120 Feet

Map and data provided by COF GIS Section 01/2013
The data is intended only to depict approximate locations.
It should not be relied upon without proper field verification.

Forest Meadows near Harkins Theatre



UNIVERSITY AVE

Harkins

FOREST MEADOWS ST

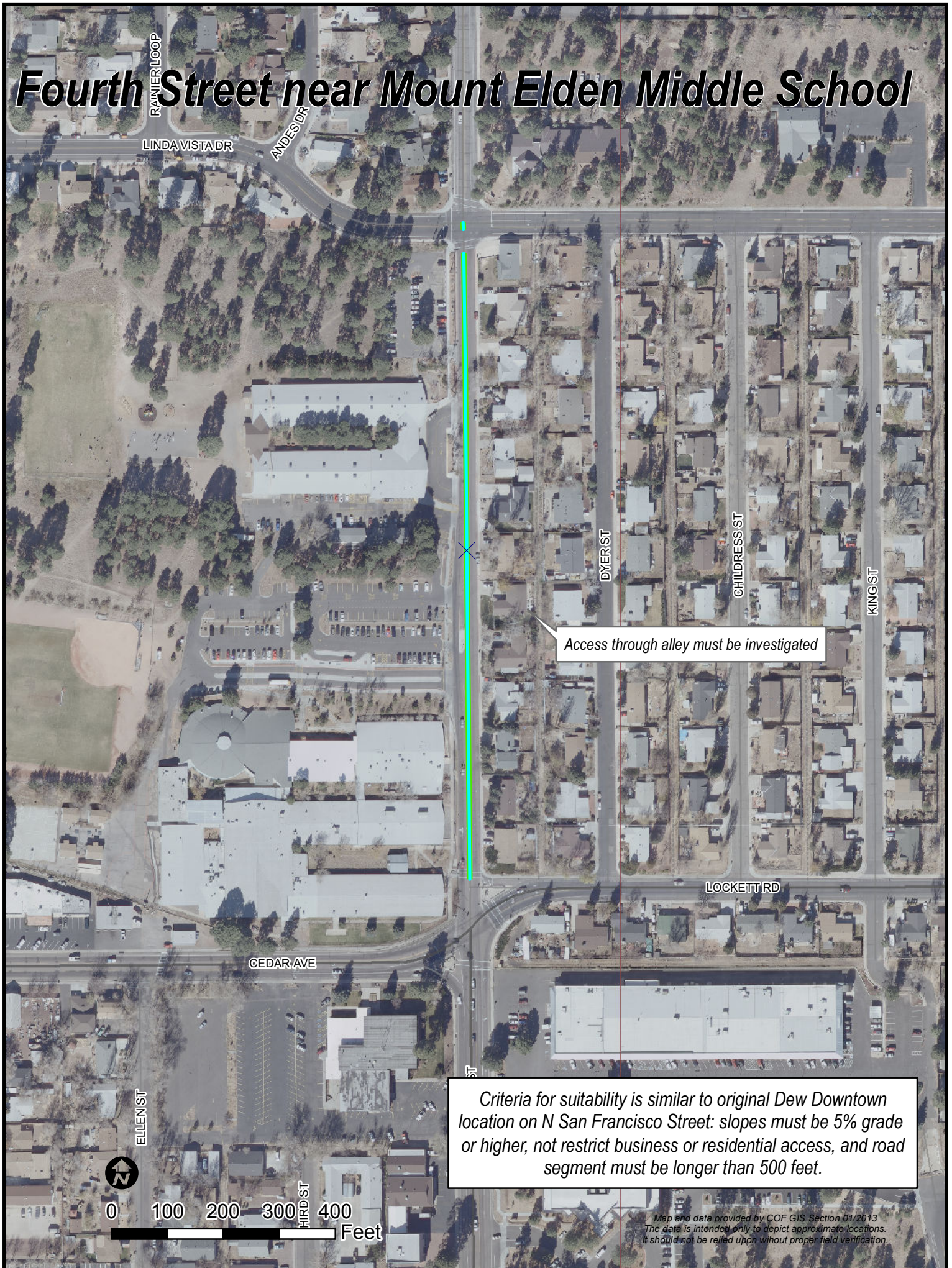
Criteria for suitability is similar to original Dew Downtown location on N San Francisco Street: slopes must be 5% grade or higher, not restrict business or residential access, and road segment must be longer than 500 feet.



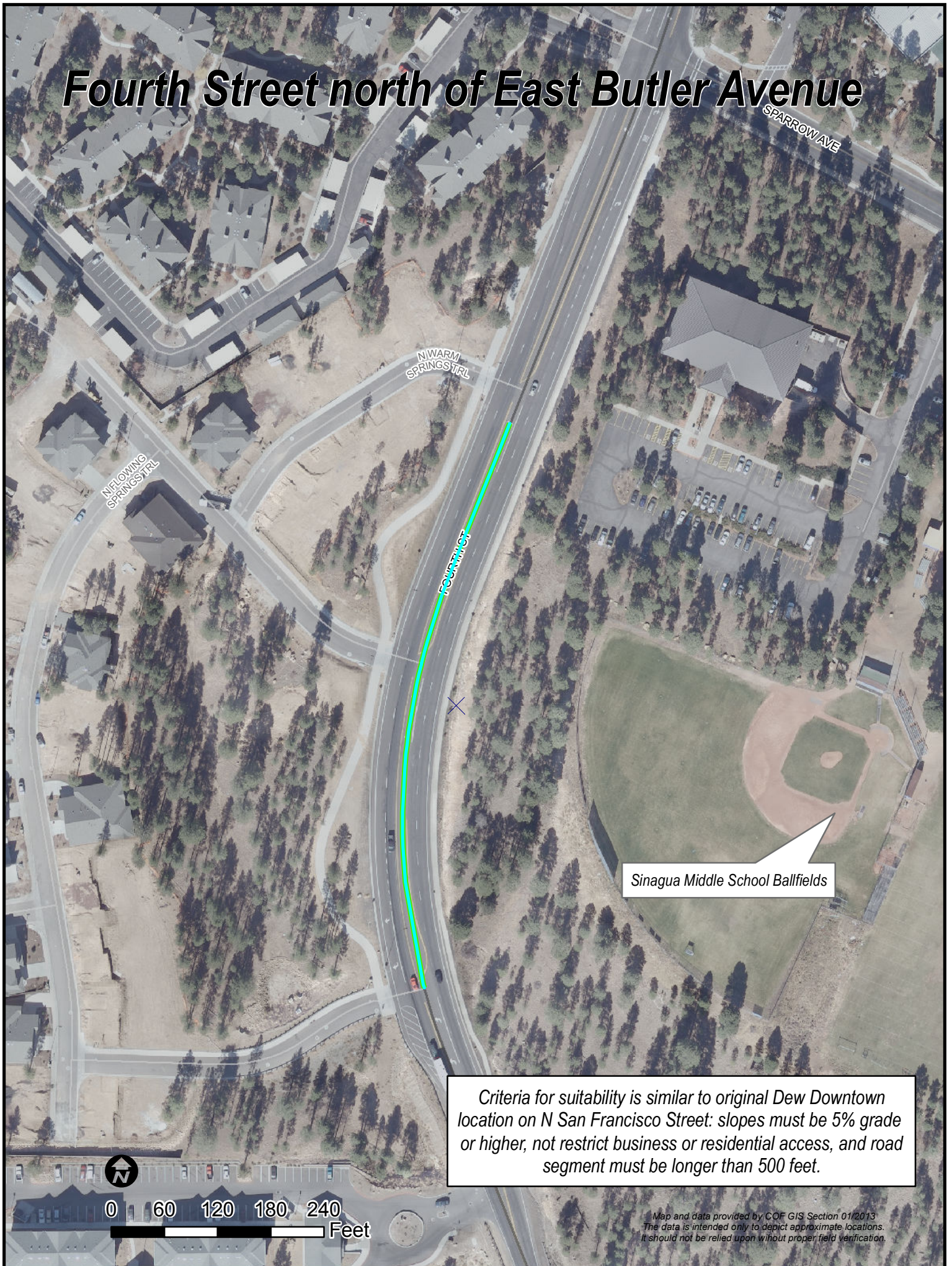
0 70 140 210 280 Feet

Map and data provided by COF GIS Section 01/2013
The data is intended only to depict approximate locations.
It should not be relied upon without proper field verification.

Fourth Street near Mount Elden Middle School



Fourth Street north of East Butler Avenue



Sinagua Middle School Ballfields

Criteria for suitability is similar to original Dew Downtown location on N San Francisco Street: slopes must be 5% grade or higher, not restrict business or residential access, and road segment must be longer than 500 feet.

Map and data provided by COF GIS Section 01/2013
The data is intended only to depict approximate locations.
It should not be relied upon without proper field verification.

Huntington Drive near Walmart



Criteria for suitability is similar to original Dew Downtown location on N San Francisco Street: slopes must be 5% grade or higher, not restrict business or residential access, and road segment must be longer than 500 feet.



0 60 120 180 240 Feet

Map and data provided by COF GIS Section 01/2013
The data is intended only to depict approximate locations.
It should not be relied upon without proper field verification.

N Creekside Drive near Fort Valley Road



Criteria for suitability is similar to original Dew Downtown location on N San Francisco Street: slopes must be 5% grade or higher, not restrict business or residential access, and road segment must be longer than 500 feet.

Map and data provided by COF GIS Section 01/2013.
The data is intended only to depict approximate locations.
It should not be relied upon without proper field verification.

North Leroux Street



Criteria for suitability is similar to original Dew Downtown location on N San Francisco Street: slopes must be 5% grade or higher, not restrict business or residential access, and road segment must be longer than 500 feet.

Map and data provided by COF GIS Section 01/2013
The data is intended only to depict approximate locations.
It should not be relied upon without proper field verification.

North Switzer Canyon Drive

SWITZER CANYON DR

PONDEROSA PKWY

TURQUOISE DR

Course could be north or south of this driveway as to allow access for residents of Canyon Springs

BERTRAND ST

CANYON TERRACE DR

FOREST VIEW DR

HUTCHESON DR

DAVID DR

Criteria for suitability is similar to original Dew Downtown location on N San Francisco Street: slopes must be 5% grade or higher, not restrict business or residential access, and road segment must be longer than 500 feet.



0 90 180 270 360 Feet

Map and data provided by CCF GIS Section 01/2013
The data is intended only to depict approximate locations
It should not be relied upon without proper field verification.

North Turquoise Drive

FOREST AVE

GEMINI DR

EDISCOVERY LN

NATLANIS WAY

WORTHINGTON PL

PONDEROSA PKWY

SWITZER CANYON DR



0 125 250 375 500 Feet

Criteria for suitability is similar to original Dew Downtown location on N San Francisco Street: slopes must be 5% grade or higher, not restrict business or residential access, and road segment must be longer than 500 feet.

Map and data provided by COF GIS Section 01/2013
The data is intended only to depict approximate locations.
It should not be relied upon without proper field verification.

Original Dew Downtown Location North San Francisco Street



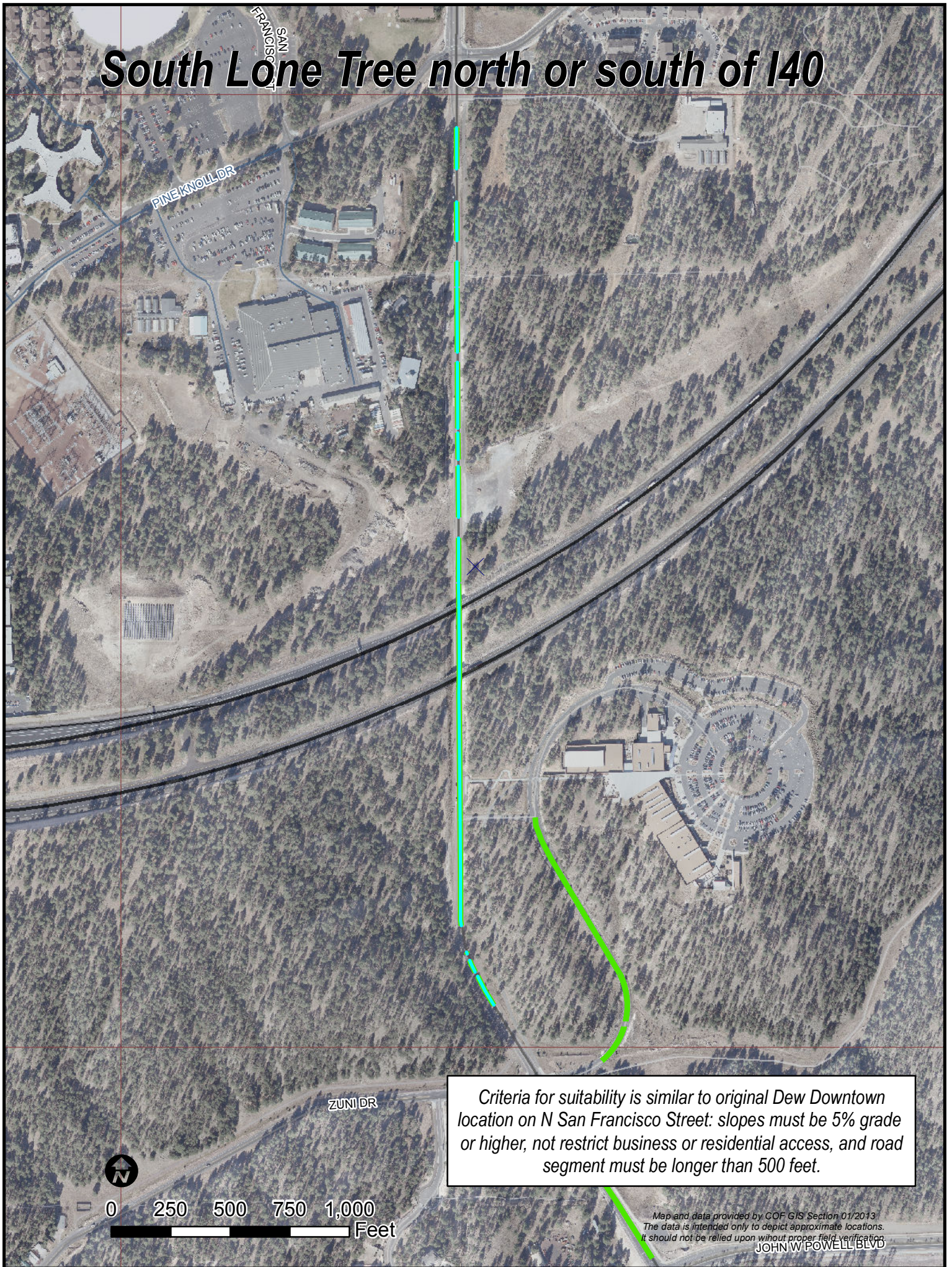
Criteria for suitability is similar to original Dew Downtown location on N San Francisco Street: slopes must be 5% grade or higher, not restrict business or residential access, and road segment must be longer than 500 feet.

Map and data provided by COF GIS Section 01/2013
The data is intended only to depict approximate locations.
It should not be relied upon without proper field verification.

South Lone Tree between Pine Canyon and CCC Entrance



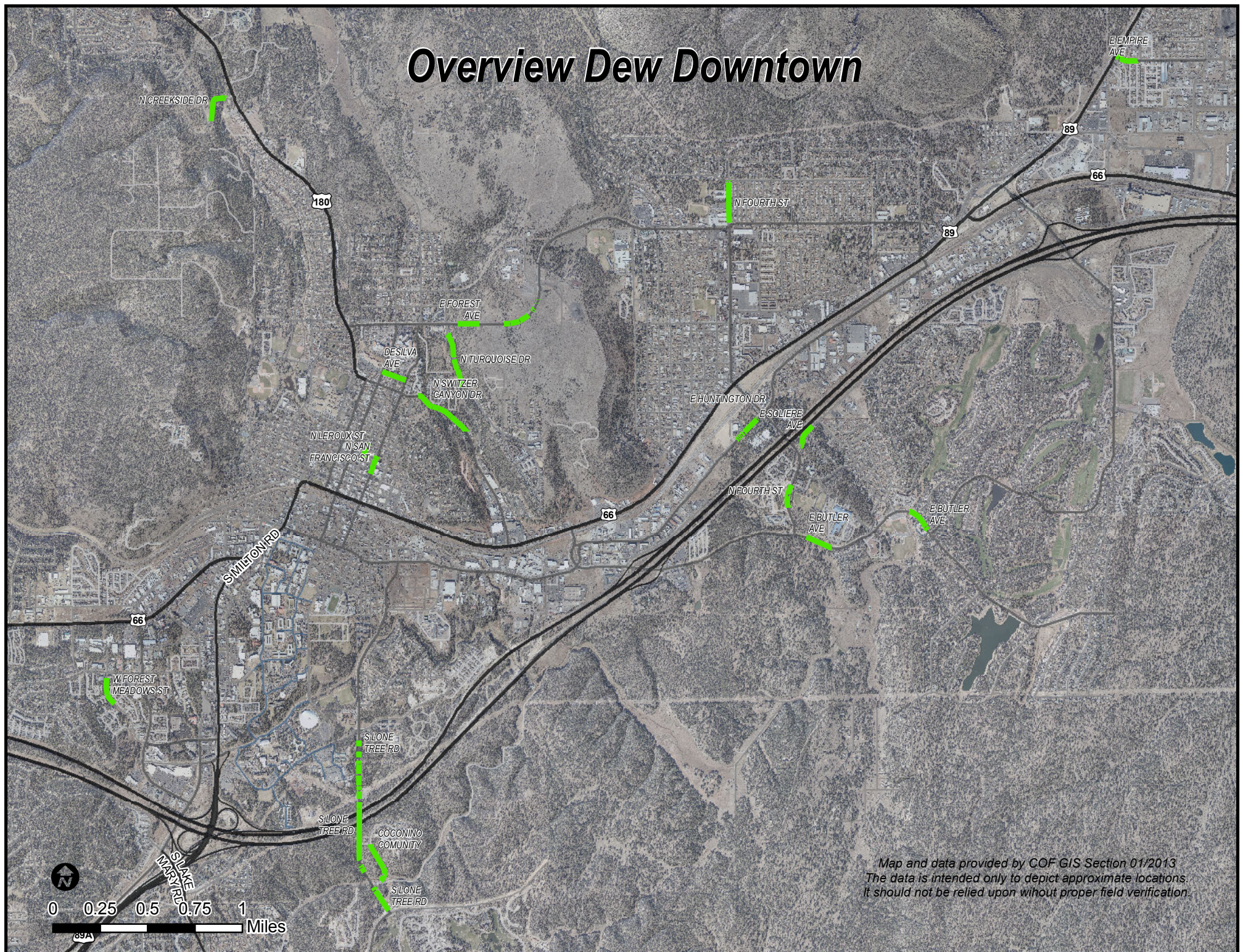
South Lone Tree north or south of I40



Criteria for suitability is similar to original Dew Downtown location on N San Francisco Street: slopes must be 5% grade or higher, not restrict business or residential access, and road segment must be longer than 500 feet.

Map and data provided by COF GIS Section 01/2013
The data is intended only to depict approximate locations.
It should not be relied upon without proper field verification.
JOHN W. POWELL BLVD

Overview Dew Downtown



Map and data provided by COF GIS Section 01/2013
The data is intended only to depict approximate locations.
It should not be relied upon without proper field verification.

Coconino Community College

Possible alternate access to school through driveway

LONE TREE RD

ZUNI DR

Criteria for suitability is similar to original Dew Downtown location on N San Francisco Street: slopes must be 5% grade or higher, not restrict business or residential access, and road segment must be longer than 500 feet.



0 75 150 225 300 Feet

Map and data provided by COF GIS Section 01/2013
The data is intended only to depict approximate locations.
It should not be relied upon without proper field verification.

Desilva Avenue

BEAVER ST

Access to apartments is only limiting factor

DESILVA AVE

LEROUX ST

COLUMBUS AVE

SAN FRANCISCO ST

Criteria for suitability is similar to original Dew Downtown location on N San Francisco Street: slopes must be 5% grade or higher, not restrict business or residential access, and road segment must be longer than 500 feet.



0 50 100 150 200 Feet

Map and data provided by COF GIS Section 01/2013
The data is intended only to depict approximate locations.
It should not be relied upon without proper field verification.

E Butler Ave near Foxglenn Park

Course must end here to allow residential access

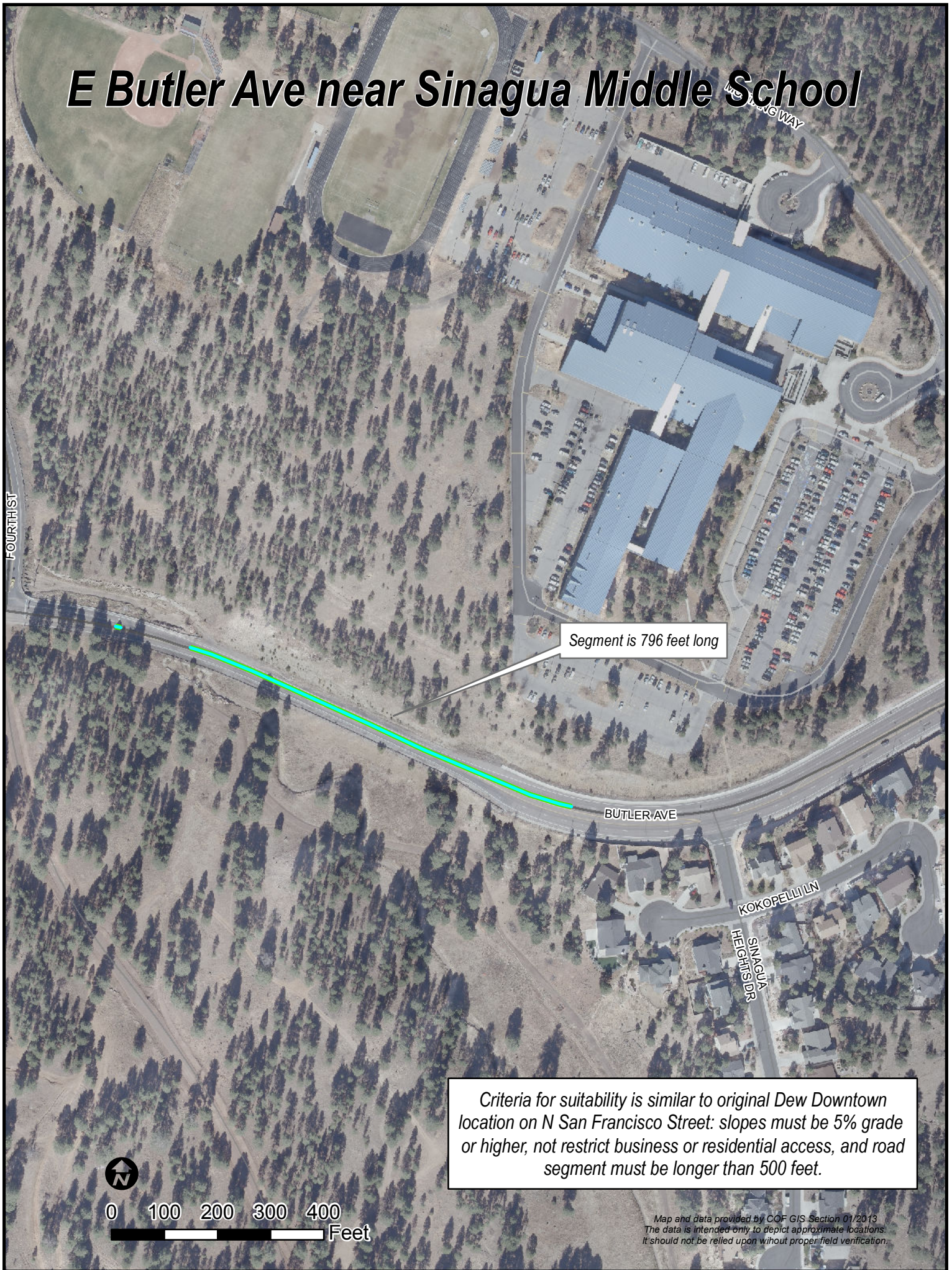


0 50 100 150 200 Feet

Criteria for suitability is similar to original Dew Downtown location on N San Francisco Street: slopes must be 5% grade or higher, not restrict business or residential access, and road segment must be longer than 500 feet.

Map and data provided by COF GIS Section 01/2013
The data is intended only to depict approximate locations.
It should not be relied upon without proper field verification.

E Butler Ave near Sinagua Middle School



E Forest Ave near USGS

2 possible courses. Traffic could be routed around on Gemini, Turquoise, and Ponderosa Parkway

FOREST AVE

Criteria for suitability is similar to original Dew Downtown location on N San Francisco Street: slopes must be 5% grade or higher, not restrict business or residential access, and road segment must be longer than 500 feet.



0 150 300 450 600 Feet

Map and data provided by COF GIS Section 01/2013
The data is intended only to depict approximate locations.
It should not be relied upon without proper field verification.

CEDAR AVE

GEMINI DR

TURQUOISE DR

PINE CLIFF DR

E Soliere off Fourth Street



East of Hospital Properties

Was included in original analysis, but now eliminated. Located on private property

TURQUOISE DR

SAN FRANCISCO ST



0 75 150 225 300 Feet

Criteria for suitability is similar to original Dew Downtown location on N San Francisco Street: slopes must be 5% grade or higher, not restrict business or residential access, and road segment must be longer than 500 feet.

Map and data provided by COF GIS Section 01/2013
The data is intended only to depict approximate locations.
It should not be relied upon without proper field verification.

Empire Ave north of Flagstaff Mall off of US89

Because of it's close location to US89, this location could be problematic

EMPIRE AVE

Criteria for suitability is similar to original Dew Downtown location on N San Francisco Street: slopes must be 5% grade or higher, not restrict business or residential access, and road segment must be longer than 500 feet.

0 30 60 90 120 Feet

Map and data provided by COF GIS Section 01/2013
The data is intended only to depict approximate locations.
It should not be relied upon without proper field verification.

Forest Meadows near Harkins Theatre



UNIVERSITY AVE

Harkins

FOREST MEADOWS ST

Criteria for suitability is similar to original Dew Downtown location on N San Francisco Street: slopes must be 5% grade or higher, not restrict business or residential access, and road segment must be longer than 500 feet.



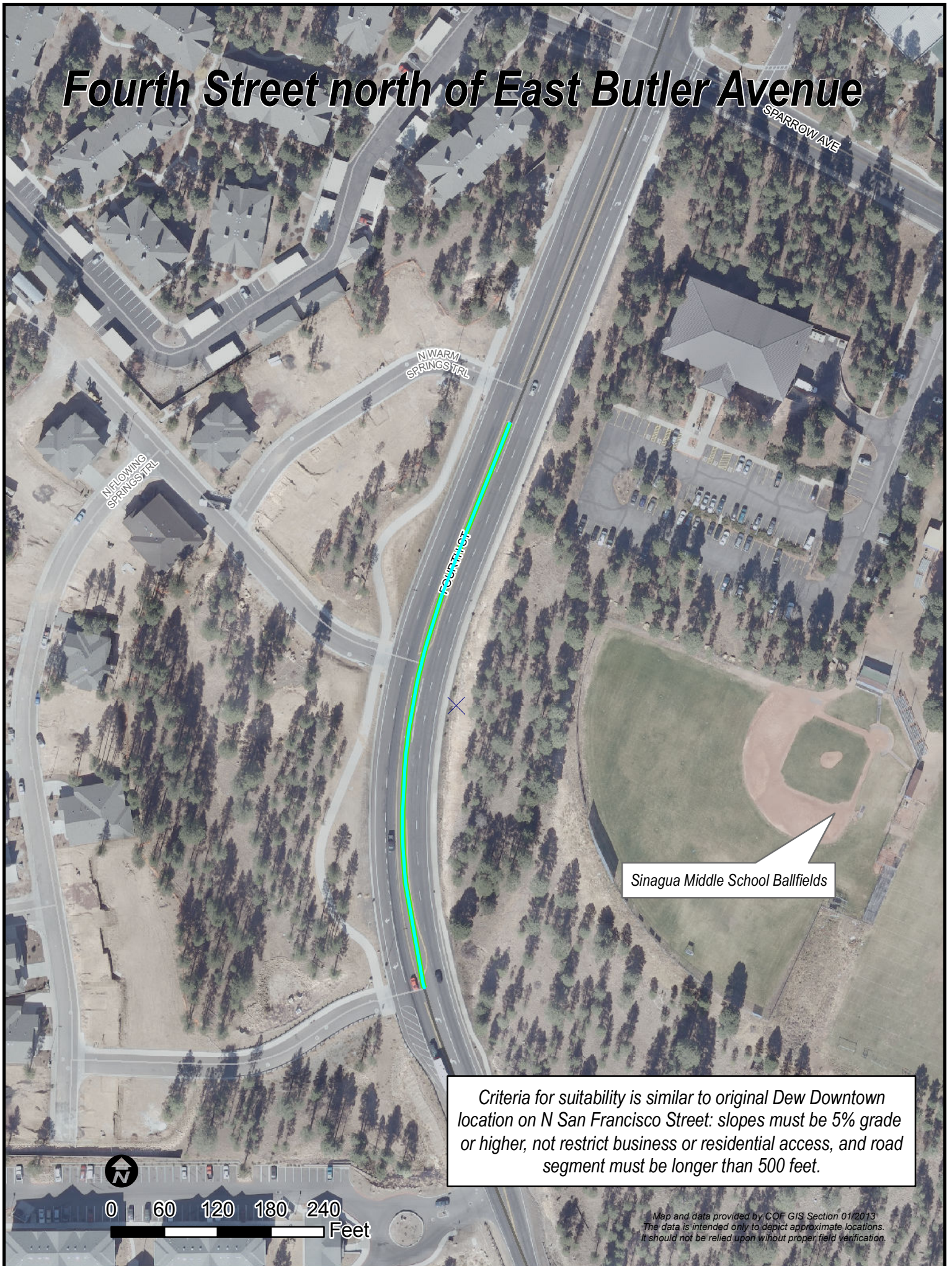
0 70 140 210 280 Feet

Map and data provided by COF GIS Section 01/2013
The data is intended only to depict approximate locations.
It should not be relied upon without proper field verification.

Fourth Street near Mount Elden Middle School



Fourth Street north of East Butler Avenue



Criteria for suitability is similar to original Dew Downtown location on N San Francisco Street: slopes must be 5% grade or higher, not restrict business or residential access, and road segment must be longer than 500 feet.

Map and data provided by COF GIS Section 01/2013
The data is intended only to depict approximate locations.
It should not be relied upon without proper field verification.

Huntington Drive near Walmart



Criteria for suitability is similar to original Dew Downtown location on N San Francisco Street: slopes must be 5% grade or higher, not restrict business or residential access, and road segment must be longer than 500 feet.

Map and data provided by COF GIS Section 01/2013
The data is intended only to depict approximate locations.
It should not be relied upon without proper field verification.

N Creekside Drive near Fort Valley Road



Criteria for suitability is similar to original Dew Downtown location on N San Francisco Street: slopes must be 5% grade or higher, not restrict business or residential access, and road segment must be longer than 500 feet.

Map and data provided by COF GIS Section 01/2013.
The data is intended only to depict approximate locations.
It should not be relied upon without proper field verification.

North Leroux Street



Criteria for suitability is similar to original Dew Downtown location on N San Francisco Street: slopes must be 5% grade or higher, not restrict business or residential access, and road segment must be longer than 500 feet.

Map and data provided by COF GIS Section 01/2013
The data is intended only to depict approximate locations.
It should not be relied upon without proper field verification.

North Switzer Canyon Drive

SWITZER
CANYON DR

PONDEROSA
PKWY

TURQUOISE DR

Course could be north or south of this driveway
as to allow access for residents of Canyon Springs

BERTRAND ST

CANYON
TERRACE DR

FOREST
VIEW DR

HUTCHESON DR

DAVID DR

Criteria for suitability is similar to original Dew Downtown
location on N San Francisco Street: slopes must be 5% grade
or higher, not restrict business or residential access, and road
segment must be longer than 500 feet.



0 90 180 270 360
Feet

Map and data provided by CCF GIS Section 01/2013
The data is intended only to depict approximate locations
It should not be relied upon without proper field verification.

North Turquoise Drive

FOREST AVE

GEMINI DR

EDISCOVERY LN

NATLANIS WAY

WORTHINGTON PL

PONDEROSA PKWY

SWITZER CANYON DR



0 125 250 375 500 Feet

Criteria for suitability is similar to original Dew Downtown location on N San Francisco Street: slopes must be 5% grade or higher, not restrict business or residential access, and road segment must be longer than 500 feet.

Map and data provided by COF GIS Section 01/2013
The data is intended only to depict approximate locations.
It should not be relied upon without proper field verification.

Original Dew Downtown Location North San Francisco Street



Criteria for suitability is similar to original Dew Downtown location on N San Francisco Street: slopes must be 5% grade or higher, not restrict business or residential access, and road segment must be longer than 500 feet.

Map and data provided by COF GIS Section 01/2013
The data is intended only to depict approximate locations.
It should not be relied upon without proper field verification.

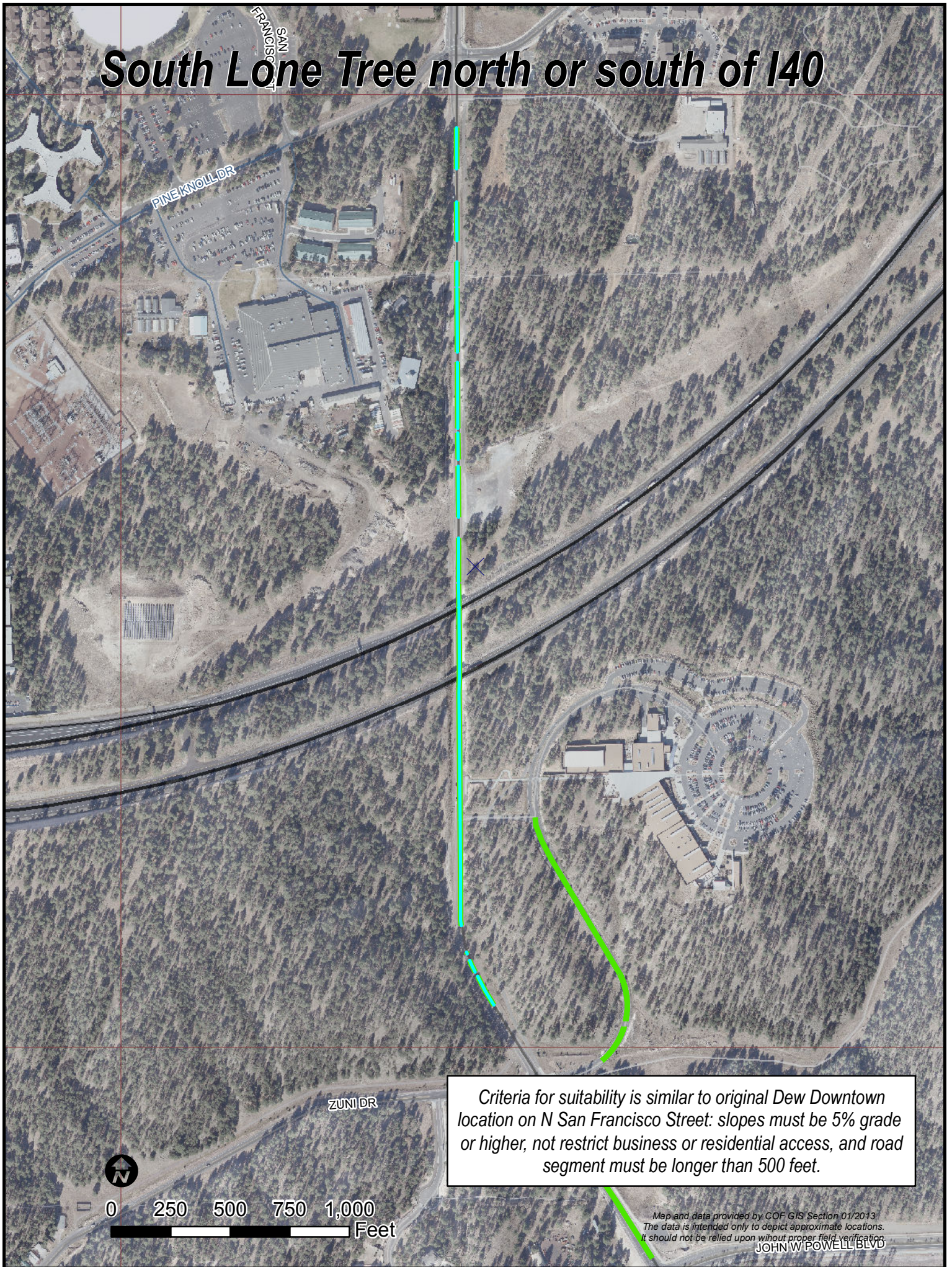
South Lone Tree between Pine Canyon and CCC Entrance



Criteria for suitability is similar to original Dew Downtown location on N San Francisco Street: slopes must be 5% grade or higher, not restrict business or residential access, and road segment must be longer than 500 feet.

Map and data provided by COF GIS Section 01/2013
The data is intended only to depict approximate locations.
It should not be relied upon without proper field verification.

South Lone Tree north or south of I40



Criteria for suitability is similar to original Dew Downtown location on N San Francisco Street: slopes must be 5% grade or higher, not restrict business or residential access, and road segment must be longer than 500 feet.

Memorandum

11.

CITY OF FLAGSTAFF

To: The Honorable Mayor and Council
From: Jerene Watson, Deputy City Manager
Submitted For: Kevin Burke, City Manager
Date: 06/05/2013
Meeting Date: 06/11/2013



TITLE:

Position on proposed 2014 resolutions for consideration by the League of Arizona Cities and Towns.

DESIRED OUTCOME:

Council to:

- (1) Review and discuss requests received from other cities asking for support in signing onto their resolutions, providing staff direction on support;
- (2) Review and discuss the one staff-proposed resolution, providing direction to staff on submission for League consideration; and,
- (3) Provide any additional recommendations for resolutions on areas of need, concern or support that you would like to have the City propose for consideration by the League's Resolutions Committee.

| No. | Draft 2014 Proposed Cities & Towns Resolution Summaries | Sponsor | Co-Sponsor | Flagstaff Staff Comment |
|-----|--|--------------|------------|--|
| 1 | Amend Arizona Revised Statutes Title 13 (Criminal Code) to include <u>criminal damage by graffiti and ensure that restitution for graffiti</u> includes all costs of a victim associated with graffiti abatement. | City of Yuma | | <p>SUPPORT: Graffiti is a growing problem here in Flagstaff; costs for abatement continue to increase. Additional penalties and sanctions, (especially restitution to victims for damages) for those responsible makes sense. – Kevin Treadway & Pat Bourque</p> <p>SUPPORT: Clearly defines sentencing guidelines; calls for restitution of some type by schools, government entities and other often overlooked victims, any discussion and possible action brings the high cost of graffiti abatement to the forefront. – Tom Boughner</p> |
| 2 | Urges the Legislature to <u>stop future sweeps of Highway User Revenue Funds (HURF)</u> allocated to Arizona cities and towns, and to restore HURF funding to FY2008 levels. | City of Yuma | | <p>SUPPORT: May yield additional funding for the city's street pavement management as state revenues rise. --Mike O'Connor & Pat Bourque</p> |
| | Urges the Legislature to amend A.R.S. § 39-121.01 <u>to place reasonable balances on the frequency of requests for public records and requests that are overbroad or abusive.</u> Such limitations mainly include limiting the | | | <p>SUPPORT: The public records resolution is definitely "on point" and badly needed. The emphasis seems to be strongly on disclosure and making public records available; what would be most helpful is if public records law allowed agencies to charge for research time – that's the big black hole for staff time and resources; less need to limit the number of requests someone can submit in a period time. – Susan Alden</p> <p>SUPPORT: Flagstaff PD has experienced the "shotgun" approach on public records requests described in this initiative; seeing an increase of</p> |

| | | | |
|---|--|----------------|--|
| 3 | <p>numbers of requests from individuals or groups that result in tying up personnel and resources at a significant cost, and which also result in citizens needing information having to wait extended periods of time behind these abusive requestors.</p> | City of Yuma | <p>requests from public defender's office/other attorney's offices—appears as a “fishing expedition” in an attempt to discredit the testimony or credibility of officers. Additionally, these types of requests on the rise from special interest groups who attempt to formulate a hypothesis on a topic only after receiving a large volume of records; activities are costly and time consuming for our employees. – Kevin Treadway</p> <p>SUPPORT with changes: allow cities to charge for time rather than limit the number of requests.— Kevin Burke (Call has been made to Yuma asking if this would be acceptable).</p> |
| 4 | <p>Urges the Legislature to <u>partner with cities and towns for the operation and maintenance of Arizona State Parks (ASP) under long term leases,</u> for a nominal amount, and to participate financially by providing for a dedicated funding mechanism to share a portion of the costs.</p> | City of Yuma | <p>NEUTRAL: There are currently no state parks within the City that we provide operation or maintenance expenses for. Formerly we did provide maintenance at Riordan Mansion when it was operated by State Parks. – Steve Zimmerman</p> |
| 5 | <p>Request that A.R.S. 34-603 C1e, change state law to <u>allow a final contract option which allows the use by procurement of final list until a contract for construction is entered into and that the Agent may pursue negotiations for pre-construction services with other persons on the list</u> under these conditions: the agent shall not in that procurement re-commence negotiations or enter into a contract for the construction or professional services covered by the final list with any person or firm on the final list with whom the agent has terminated negotiations.</p> | City of Sedona | <p>SUPPORT: alternate project delivery methods (final contract options). The Resolution essentially allows the procurement process to stay open until the GMP is agreed to. Currently, the procurement process is terminated when a pre-construction services agreement is entered into but then GMP negotiations can reach in impasse, resulting in a new procurement process. – Rick Barrett</p> <p>A huge benefit and value added proposition to be in a position to legally construct a project using the second lowest Proposer when you aren't able to obtain a satisfactory GMP from the first ranked Proposer. This ultimately allows the project to successfully continue to the construction phase, especially when using the benefits of the Construction-Manager-at-Risk approach. On occasion, there are projects where the first ranked Proposer's GMP is well above the engineer's estimated GMP, while the second ranked Proposer's GMP is more in line with the Engineer's estimate; which allows a project to be completed successfully and sometimes, with the return of some unneeded funds to the owner. – Rick Compau</p> |
| 6 | <p>Urges the authorization of <u>expenditure and full appropriations to restore the Arizona State Park Heritage Funds</u> through the reenactment of repealed ARS 41-501, 503 and 504.</p> | City of Sedona | <p>SUPPORT: Heritage preservation through our state parks can recycle entire buildings, reducing reliance on new materials and re-using the embodied energy of existing buildings. It can promote architectural diversity and provide spaces for artists, artisans and other cultural groups to practice their crafts while sustaining our local cultural life. Can foster community revitalization, encourage tourism and</p> |

| | | | | |
|---|--|-------------------------|--------|---|
| | | | | creates jobs, adding to a strong sense of place for all ages, preserving and creating focal points for important community events. – Karl Eberhard |
| 7 | Urges the State Legislature to support implementing <u>a pilot program to restrict trucks to the two right-most lanes</u> when traveling on Arizona highways in urban areas with three or more lanes in each direction. | City of Apache Junction | | <p>SUPPORT: one of most used stats at the CVB shows that 47% of our visitors originate from Arizona and California and more than 53% travel by personal vehicle. A safe travel for these visitors is of the utmost importance. – Heidi Hansen</p> <p>NEUTRAL: Flagstaff [city jurisdiction] does not have any roads with three or more lanes. All roads with three or more lanes in Flagstaff are ADOT jurisdiction. Therefore, we recommend staying neutral on this. – Rick Barrett No need to sign on because it is not relevant for any part of Flagstaff. – Kevin Burke</p> |
| 8 | Urges the Legislature to amend A.R.S. § 23-1022(D) to provide municipalities the option of providing worker's compensation benefits to employees of another agency when working under the municipality's control or jurisdiction through an intergovernmental agreement or contract, especially as it relates to public safety personnel. | Town of Wickenburg | | <p>NEUTRAL: When used, which is infrequent, Flagstaff PD uses a "bill out" system to the agency we are assisting if the event is particular to that agency or jurisdiction and our officers remain under FPD policies and control. Most of the incidents where we help another agency is during a crisis or evolving crime, and in these situations, there typically isn't any billing. The one exception is with NAU sporting events, where our officers sign up to work for NAU through NAU Human Resources and are paid at an NAU rate, (but again work as FPD officers, under our policies, in our uniform, etc.). MOUs may be difficult to develop for most of the other types of activities we are involved in. There may be resistance for outside agencies to accept Workman's Comp obligations since our officers aren't technically working for the other agency. – Kevin Treadway</p> |
| 9 | Request and encourage the Arizona State Legislature to establish a mechanism enabling local government to establish renewable energy and conservation financing districts. In addition, encourage the Arizona State Legislature to identify and define energy efficiency, renewable energy and water conservation as a public benefit that enhances the public good and promotes the health, safety, prosperity, security, and general welfare of the community. | City of Flagstaff | Tucson | <p>PROPOSAL FROM NICOLE WOODMAN, SUSTAINABILITY MANAGER, working with Tucson: Renewable energy and conservation financing district authority enables local government to create a financing mechanism to provide up front funds to commercial property owners for energy efficiency, renewable energy, and water conservation improvements. This mechanism would give an option to commercial property owners to finance energy efficiency improvements, renewable energy installation, and water conservation improvements on their property and repay financing through a property assessment, removing a barrier that currently exists. With enabling legislation, local governments could voluntarily elect to establish an office to provide the service to create a more accessible funding mechanism for those commercial property owners who want to take advantage of such a program.</p> |

STAFF COMMENT: Paul Summerfelt recommends a tactical pause in terms of state legislation for now on Forest Health. Neither the Ponderosa Fire Advisory Council (local area) nor the AZ Fire Chiefs Association (State wide) expressed any interest in supporting last year's resolution and no position change. The State Forest Health Council did express some interest last fall in picking it up and helping to move it forward in 2013, but that never materialized and there has only been silence since December indicating no strong interest (Council chaired by the State Forester). Even if such a resolution gained some legislative interest, it would not generate the interest or support of key and influential groups that would be necessary for passage and implementation. We have our hands full with the FWPP and other activities. In the meantime, we model, and advocate as appropriate, for what we'd like see happen state-wide, and be ready to step forward - with others- as the future situation unfolds.

INFORMATION:

Background

Each year the Arizona League of Cities and Towns conducts a Resolutions Process to determine what key issues cities would like the League to follow during the upcoming State Legislative Session (Attachment 1). A Resolutions Committee is seated during the summer to guide the process, with a culmination of the work voted upon at the annual conference, scheduled for the last week of August this year. The Mayor will represent the City on the Resolutions Committee at the annual conference and meet during the Tuesday afternoon of the conference to determine the final resolutions to be supported. These will shape the League's 2014 legislative program.

Cities are asked to draft resolutions broadly enough to be applicable to all cities and towns across the state that advance common municipal goals. The League's philosophy is that a focused, strategic policy agenda will yield more results for cities at the Legislature. It is common for the League to take the top five priority resolutions to focus the majority of their resources lobbying on behalf during the Session. As a result, they ask that cities only propose those resolutions they feel are of urgency or high need to make for a smoother process in determining the legislative agenda and increase the likelihood of passage. For issues that have more of a single-city impact, the League encourages cities to lobby for those issues uniquely with their own city resources.

Discussion

It takes two cities to support a resolution in order for it to be considered. The deadline for resolution submission this year is Friday, June 14th. We have been approached to support the resolutions of four other cities found in Attachment 2 which are summarized below:

CONCLUSION:

Staff will prepare any additional resolutions desired and will advise other cities of any Council-directed support, per your direction this evening.

Attachments: Resolutions Committee Timelines & Process
 Proposed (draft) 2014 Resolutions

LEAGUE OF ARIZONA CITIES & TOWNS – 2014 Resolutions

2013 Resolutions Committee Calendar

- May:** Mayor Stanton appointed as 2013 Resolutions Chairman.
- May 8:** Letters sent to all Arizona city and town Mayors appointing them to serve on the Resolutions Committee.
- June 14:** Deadline for Mayors to officially accept appointment or designate a council representative to serve on the Resolutions Committee.
- June 14:** **Deadline for resolutions to be submitted to the League Office by 5:00 pm. Mid July:** Resolutions Subcommittee meeting.
- July 16:** League to send out resolutions agenda packets to Resolutions Committee members.
- August 27:** Resolutions Committee meeting at the Annual Conference in Oro Valley.
- August 29:** Resolutions ratified at the Annual Business Meeting.

TIPS FOR A SUCCESSFUL RESOLUTION SUBMISSION

***Resolutions are statements of policy that, once adopted by the Resolutions Committee, are used to form the League's municipal policy goals for the upcoming legislative session. A successful policy agenda will be focused and strategic; please consider how your resolution will impact the overall goals.**

*** There are two types of resolutions:**

- 1) Statements requesting a specific action, such as requesting that the Legislature protect shared revenues.
- 2) Statements of general policy direction, such as supporting increases for transportation funding.

1. Resolutions should be broadly applicable and advance our municipal goals.

- Please take note, the resolutions process is designed for issues that impact a broad cross section of cities and towns. Submitted resolutions that impact only a single city/town or limited number of cities and towns are not generally part of the League's overall agenda. If your city/town has an issue(s) that just impacts your community, please notify League staff and we will assist you with this issue during the legislative session.

2. Resolutions must be sponsored by at least 2 municipalities.

- Some communities require council action to support a resolution. Take this timing into consideration when finding co-sponsors.
- Each sponsoring municipality must provide the League with written confirmation of their support.

3. Resolutions must be submitted to the League no later than 5:00 pm June 14, 2013.

- Electronic submission is preferable. Please email your resolution to Dale Wiebusch at resolutions@azleague.org.

4. Resolutions must be correctly formatted with all blanks adequately filled in.

- Other cities and towns rely on your information to decide whether or not to support a resolution. Clear, concise and complete information is essential.
- Do not write in all caps or modify the format provided.

LEAGUE OF ARIZONA CITIES AND TOWNS RESOLUTIONS COMMITTEE PROCEDURES

1. Resolutions Committee Appointment

The President shall appoint, at least ninety days before each Annual Conference, the Chairman and members of the Resolutions Committee. Only one elected official from each city or town shall be appointed to the Committee.

2. Duties

The Resolutions Committee shall adopt statements of policy amending the annual Municipal Policy Statement, special resolutions and such other resolutions of courtesy, commendation or appreciation as the Committee deems appropriate.

3. Submission of Resolutions

A. All resolutions, including resolutions of courtesy, commendation or appreciation, may be considered by the Committee provided such resolutions are submitted in proper form to the Chairman of the Committee or to the League office by the published deadline. Each resolution submitted shall be sponsored by at least two cities and/or towns. League staff shall review and, where appropriate, provide additional information on the impact of the resolution.

B. All resolutions submitted by the deadline specified in subsection A of this section along with fact sheets shall be mailed to Committee members at least six weeks prior to the meeting.

C. Except in the case of emergency as determined by the chair of the committee, no resolutions submitted after the deadline specified in subsection A of this section may be considered.

4. Resolutions Committee Process

A. The Committee shall hold a meeting at the Annual Conference for consideration of resolutions.

Notice shall be given to each member at least six weeks in advance of the meeting.

B. Prior to the meeting, the chair of the Resolutions Committee will appoint and convene a Subcommittee of the Resolutions Committee to review and evaluate the submitted resolutions for municipal relevancy, duplication and completeness. The subcommittee may make minor editing changes for clarity, and may place submitted resolutions into the following categories: *Recommend for Adoption*, *Not Recommended for Passage* or any other categories at the discretion of the Subcommittee. The Subcommittee will report its recommendations at the Resolutions Committee meeting.

C. Resolutions shall be amended according to the process established by the Chairman of the Committee.

5. Final Report

After the Resolutions Committee meeting, the Chairman of the Committee or a designee shall report to the entire league membership at the Annual Business Meeting those resolutions adopted by the Committee. Resolutions adopted by the Committee shall be formally adopted by the membership at the Annual Business Meeting and become the basis for the annual Municipal Policy Statement.

PROPOSED RESOLUTIONS – Looking for Partner City

Resolution #

Urges the Legislature to amend A.R.S. § 39-121.01 to place reasonable balances on the frequency of requests for public records and requests that are overbroad or abusive. Such limitations mainly include limiting the numbers of requests from individuals or groups that result in tying up personnel and resources at a significant cost, and which also result in citizens needing information having to wait extended periods of time behind these abusive requestors.

Submitted by: City of Yuma,

* * * * *

A. Purpose and Effect of Resolution

This Resolution seeks amendments to public records access laws to discourage frequent or abusive requests while facilitating and maintaining timely and complete media and non abusive citizen's access to public records.¹

Municipalities receive and process thousands of requests for public records each year. Most of these requests are reasonable, coming from the media and persons who may or may not make other requests but who seek specific and limited information. These requests in many cases are taking a back burner to other “machine gun” requests which stack up, needlessly tying up staff and resources and causing a delay in responding to other public records requests from media and citizens. “Machine gun” requests and request “stacking” by individuals require significant and disproportionate amounts of staff time to locate, review, redact, and prepare voluminous amounts of documents or materials from multiple departments for review and/or copying. In many cases the public records are not even reviewed or picked up or are barely given a look through. They basically create unnecessary work for local employees.

Some of these requests are overbroad, such as requests for “All documents, e-mail, memoranda, etc. pertaining to the city action” These documents can cover many years, require production of hundreds or thousands of documents, and involve research and review by several City departments. Again, some of these are never looked at. As an example, Yuma has received 46 requests in 44 business days from a single individual, including nine filed in one day, while 25 other filled requests waited to be reviewed from the same individual.

Municipalities also receive and process numerous requests for public records from only a few individuals. For example, in Yuma, one individual is responsible for the following statistics:

| <u>Year</u> | <u>Number of requests</u> |
|-----------------------|---------------------------|
| 2008 | 114 |
| 2009 | 120 |
| 2010 | 85 |
| 2011 | 155 |
| 2012 | 81 |
| 2013 (through May 20) | 56 ² |

¹ Nothing in this Resolution is intended to limit media access to public records.

ATTACH. 2

² This number represents 46% of the requests received YTD.

Resolution #

Urges the Legislature to stop future sweeps of Highway User Revenue Funds (HURF) allocated to Arizona cities and towns, and to restore HURF funding to FY2008 levels.

Submitted by: City of Yuma,

* * * * *

A. Purpose and Effect of Resolution

HURF funds come from a number of sources including use fuel taxes, motor carrier fees, vehicle license taxes and motor vehicle registration fees. Statutes provide a method of distributing these funds among the state, counties, and cities for the purpose of construction, improvements and maintenance of streets and roadways within their jurisdictions. The State has swept portions of these revenues each year since FY2008, mainly to support Arizona Department of Public Safety (DPS). These sweeps affect every municipality and county in the state. As a result of these sweeps, more than 38% of Yuma's major roadways are in poor or below average condition. Delayed maintenance on streets has caused many streets to now need total replacement, at a much greater cost. The poor condition of transportation infrastructure is a detriment to attracting new commerce and industry.

In addition to the direct impact on cities' streets and roadways, this slowdown and halt of street construction and maintenance has cost jobs. The Arizona chapter of the Associated General Contractors estimated in 2011 that an estimated 42,000 jobs have been lost due to the lack of highway construction. This loss has had a negative impact on the economic viability of the State.

B. Relevance to Municipal Policy

The longer the attention to street maintenance is neglected, the more costly it becomes to bring streets up to even average condition. Many Arizona counties, cities, and towns experience a significant rise in population during the Winter months. The declining street infrastructure negatively affects the states' tourism industry and makes other warm states more attractive to these visitors.

C. Fiscal Impact to Cities and Towns

The sweeps have touched every county, city and town in Arizona. There are no replacement revenues for cities to tap. As maintenance is delayed, the cost rises. Restoring full HURF funding to local jurisdictions will allow much needed street replacement, repair, and maintenance.

D. Fiscal Impact to the State

Reinstating the statutory distribution of HURF monies, including the funds to be allocated to DPS pursuant to statutes, may require the State find other sources or revenue for DPS.

We are requesting amendment of Title 39 to give municipalities authorization, in certain instances, to place reasonable restrictions to the number or frequency of requests made by a single individual and to limit certain requests such as those with a broad scope or that cover an extensive time period to allow cities to both comply with the spirit and intent of public records laws while discouraging machine gun, overbroad, or abusive requests. This will maintain access for all and maintain a proper access for those non-abusive requests. We believe a reasonable restriction to be 5 requests per month and 20 per year. Machine gun requests would be handled 1 or 2 at a time with a municipality not being required to fill additional public records request from the same person until all previous requests from that individual have been viewed or pick up. Additional requests beyond these numbers would still be filled, however the taxpayer would not have to continue bear costs of over-burdensome requests. If requests from an individual exceed 5 per month or 20 per year, a municipality would be allowed to recover full manpower time, costs, and materials from the individual requestor.

B. Relevance to Municipal Policy

Transparency is an essential component of a responsive representative government. Cities endeavor at all times to be open, accessible and responsive to their citizens. Making records available for inspection by the public and the media is important to maintaining transparency and trust in government. Most citizens and the media are conscientious and purposeful in their requests. However, requests by a few individuals which are overbroad or abusive and require disproportionate amounts of city-wide staff time do not further the goal of transparency and will hurt citizen access and availability to public records.

C. Fiscal Impact to Cities and Towns

Cities will still respond to public records requests in the spirit of transparency and openness in government. Allowing cities some relief from abusive public records requests or to identify potentially abusive practices will free staff to perform other governmental functions.

D. Fiscal Impact to the State

There will be no fiscal impact to the State. However an amendment could include public records requests of the State, which will result in savings.

E. Contact Information

| | |
|------------------------------|---|
| <u>Name: Connie Scoggins</u> | <u>Title: Assistant City Attorney</u> |
| <u>Phone: (928) 373-5055</u> | <u>Email:Connie.Scoggins@YumaAz.gov</u> |

Resolution #

Amend Arizona Revised Statutes Title 13 (Criminal Code) to include criminal damage by graffiti and ensure that restitution for graffiti includes all costs of a victim associated with graffiti abatement.

Submitted by: City of Yuma,

* * * * *

E. Contact Information

| | |
|---------------------------------|---------------------------------------|
| <u>Name: Connie S. Scoggins</u> | <u>Title: Assistant City Attorney</u> |
| <u>Phone: (928) 373-5055</u> | <u>Email: Connie.Scoggins@yumaaz.</u> |

A. Purpose and Effect of Resolution

Graffiti is a continuing and fast growing problem for cities and towns. The level of punishment for individuals committing illegal acts of graffiti is a difficult and complex issue. Abatement of graffiti and apprehension and prosecution of the perpetrator is costly to cities and these costs are seldom if ever recovered. Arizona statutes allow prosecution of graffiti under the criminal code as criminal damage. Because graffiti is such an immediate and growing problem on both public and private property, it needs to be addressed in statutes setting forth stricter penalties for graffiti. Restitution ordered by the court for graffiti offenses should include the full amount of the damages to make the victim whole again. This means a victim, as a matter of law, would be entitled to the full, reasonable reimbursement for the amount paid to a third-party contractor to abate graffiti damage to his or her property, or, alternatively, if the victim abates the graffiti damage without retaining a third-party contractor, the victim should be entitled to full, reasonable compensation for his or her time spent abating the graffiti, for reimbursement of the costs of all materials used to abate the graffiti, and for vehicle mileage or vehicle rental fee for vehicles the victim used to abate the graffiti. As it stands now, some courts have been reluctant to award the full amount of damages as restitution when the victim is a private company, a municipality or other government agency that uses its own employees and equipment to abate graffiti damage. Additionally, a community service component could be added to the penalty, as done in New Mexico and California, which would provide even greater disincentives, especially if the community service involved is cleaning up graffiti.

B. Relevance to Municipal Policy

The physical appearance of communities is a source of pride for Arizona cities. It is one of the factors that attract people to visit or relocate into an area. While graffiti was once limited to older and deteriorating communities or facilities, it has become prevalent in all areas of cities, regardless of age, appearance, use or value. Despite the penalties for selling instruments of graffiti to minors enacted in the last few years, the numbers of incidents and the extent of damages have continued to increase. Stiffer penalties are needed to deter the rising tide of this vandalism.

C. Fiscal Impact to Cities and Towns

Graffiti abatement in fiscal year 2012-2013 has so far cost the City of Yuma \$117,645.00, despite a policy to aggressively pursue restitution from the courts. The costs to Yuma are high, therefore, it would follow that statewide costs may be in the millions of dollars. Increasing the penalties for criminal damage may deter graffiti vandals, and reduce the number of incidents and the extent of damages, thereby reducing costs of abatement. Any additional revenue generated from the stronger penalties could be directed to reduce the costs to cities for abatement. Also, if violators are required to perform community service, they would be able to witness the consequences their actions have on the community.

D. Fiscal Impact to the State

Because graffiti may also occur on state owned properties, abatement costs to the state could be reduced.

E. Contact Information

Name: Connie Scoggins

Title: Assistant City Attorney

Phone: (928) 373-5055

Email: Connie.Scoggins@YumaAz.gov

Resolution #

Request that A.R.S. 34-603 C1e, concerning the use of the procurement or final list for qualification based selection processes; allow the use of such final list until a contract for construction is entered into. The Agent may pursue negotiations for pre-construction services with other persons on the list provided that the agent shall not in that procurement recommence negotiations or enter into a contract for the construction or professional services covered by the final list with any person or firm on the final list with whom the agent has terminated negotiations.

Submitted by:

City of Sedona

* * * * *

A. Purpose and Effect of Resolution (*Explain your proposal and provide any relevant background information.*)

In 2010 section 34-603 C1e was added to A.R.S regarding procurement of construction services using non-bid methods (alternative procurement). The impact of this addition was to require agents to restart the alternative procurement process or bid construction projects in the event that a construction price could not be negotiated. The impact of the proposed change is to allow the agent to utilize another person or firm on the list in the event that a construction price could not be negotiated with the initially selected party. The resolution prohibits reopening negotiations with a party if they have been terminated. Only one party may be negotiated with at a time.

The current legislation prohibits an option that had been previously allowed, due to silence of prior legislation. The restriction imposed by the current legislation places the agent at the mercy of a contractor late into the project development process when the construction price is being negotiated. The contractor may insist on unreasonably high negotiated price. In this case the agent is forced to bid the project, or restart the procurement process, or accept the high price. Bidding the project may not be desirable when project familiarity is important to an agent in pursuing construction of a project (for instance business area improvement projects), and may result in loss of the ability to contain construction claims. Restarting the procurement procedure may unreasonably delay the project. Accepting the high price is a disservice to the public.

City of Sedona was able in 2009 to construct a project by using the second low proposer when it could not obtain a satisfactory price from the first ranked proposer. This allowed the project to successfully continue to construction, using the benefits of the Construction-Manager-at-Risk approach. The first ranked proposer's price was well above the engineer's estimated price, while the second was much more in line. The project was successfully completed, with return of some unneeded funds.

B. Relevance to Municipal Policy (*Explain how the resolution impacts cities/towns throughout the state.*)

Alternative Delivery Methods have benefits beyond costs, however, when the process allows a contractor to attempt to push an agent to reject excessive costs, at the risk of losing these benefits for the project, the public is placed at an unfair disadvantage. Modifying the process to give the agent the option to continue with the Alternative Delivery Method without excessive loss of time due to starting the procurement over again, or other disadvantages seems to be in keeping with allowing the use of Alternative Delivery Methods in the first place. As a matter of public policy it does not seem that qualification based selection processes should reduce incentives for unfair pricing. The public policy concern regarding bid-shopping is dealt with by the allowing negotiations with only one proposer at a time, and prohibiting reopening closed negotiations.

C. Fiscal Impact to Cities and Towns (*Explain the potential fiscal impact, if any, to cities/towns. Include any cost estimates if possible.*)

Cities would be more assured of being able to secure realistic pricing using Alternative Delivery Methods, from the initially selected proposer, while maintaining the benefits on appropriate projects of using these delivery methods.

D. Fiscal Impact to the State

None anticipated

E. Contact Information

Name: Charles Mosley Title: Sedona Public Works Director/City Engineer Phone: 928-204-7132

LEAGUE OF ARIZONA CITIES & TOWNS RESOLUTION

Text of Resolution .

Urges the authorization of expenditure and full appropriations through the reenactment of repealed ARS 41-501, 503 and 504 to restore the Arizona State Park Heritage Funds.

Submitted by:

City of Sedona

* * * * *

A. Purpose and Effect of Resolution (*Explain your proposal and provide any relevant background information.*)

The Arizona State Parks (ASP) Board Heritage Fund was established in November 1990 by voter initiative, provides up to \$10 million annually to Arizona State Parks from Arizona Lottery proceeds (A.R.S. §41-503). There were three competitive grant programs offered annually from the Heritage Fund dollars to provide opportunities for the public to enjoy parks and outdoor recreation, and to help preserve natural and cultural resources. Seventeen percent of the State Parks Heritage Fund revenues were available annually (up to \$1.7 million) through the Historic Preservation (HP) Grant Program. Thirty-five percent of the revenues (up to \$3.5 million) were available through the Local, Regional and State Parks (LRSP) Grant Program, and five percent of the revenues (up to \$500,000) went to the Trails Heritage Fund, of which 95% was available through the competitive grant program.

Since 2009, sweeps of the Heritage Fund resulted in the discontinuation of the Heritage Fund Grant Programs due to lack of funding. The Heritage Fund Grant Programs were an important source of funding, through the LRSP in particular, to Cities and Towns for their ability to enhance and expand local park sites. The sweep of Heritage Funds directly impacts the ability of Cities and Towns to provide funds to conserve our state's natural, cultural, and historic resources and shifts costs to Cities and Towns that are the burden of the State, and which benefit the state.

Not only were the remaining Heritage Funds eliminated – funds that were used for Capital Improvements to the Arizona State Parks – but the Legislature fully repealed the funding mechanism for Heritage Funds through the repeal of authorizing statutes A.R.S. 41-501, 41-503, and 41-504 effective on July 1, 2011. The FY 12 State Budget swept the remaining \$2,090,000 of the Enhancement Fund, which eliminated the amount available for Capital Programs and left ASP with no capital funds available to repair structural emergencies. Without reauthorization of the related statutes, there is no vehicle to appropriate funds, and the future of not only local funding but the entirety of Arizona State Parks hangs in the balance. The inability to fund needed Capital Improvements, and even emergency repairs puts ASP at a dangerous financial precipice.

B. Relevance to Municipal Policy (*Explain how the resolution impacts cities/towns throughout the state.*)

Approval of this resolution and resulting policy changes would provide a vehicle for funding to continue municipalities and the states' ability to provide and enhance the conservation of our state's natural, cultural, and historic resources. It would shift the responsibility for these programs back to the State and reinforce the voter approved initiative that originally placed the burden on the State

C. Fiscal Impact to Cities and Towns (*Explain the potential fiscal impact, if any, to cities/towns. Include any cost estimates if possible.*)

Reenactment of Arizona Heritage Fund appropriations would have a significant positive impact on recreational opportunities, environmental education for the K-12 curriculum and enrichment for educators, grants and research, and response to and help with ameliorating human-wildlife conflicts in urban areas. It also positively

impacts the viability of State Parks as the sweep of funds has left ASP without funds for capital improvements or for any structural emergency. The loss of Heritage Funds has a direct impact on Cities and Towns due to the economic impact of State Parks as evidenced in the "The Economic Impact of Arizona State Parks 2007" study prepared by The Arizona Hospitality Research & Resource Center, Center for Business Outreach and The W. A. Franke College of Business, Northern Arizona University in February 2009.

D. Fiscal Impact to the State

E. Contact Information Name: Nicholas Gioello Title: Assistant to the City Manager
Phone: 928-203-5100 Email: ngioello@sedonaaz.gov
Email: cmosley@sedonaaz.gov

LEAGUE OF ARIZONA CITIES & TOWNS RESOLUTION

Urges the State Legislature to support implementing a pilot program to restrict trucks to the two right-most lanes when traveling on Arizona highways in urban areas with three or more lanes in each direction.

Submitted by: City of Apache Junction and _____

A. Purpose and Effect of Resolution (Explain your proposal and provide any relevant background information.)

The purpose of this resolution is to improve traffic mobility, improve safety and facilitate the flow of goods on freeways in Arizona's busy urban areas. An initial step is to implement a pilot program is to determine and compare the feasibility, impacts, and effectiveness of restricting trucks to operating only in certain lanes in on highways in urban areas that have three or more lanes in each direction, which have a moderate or high level of truck traffic, and do not have left hand exits. The lane restrictions would apply to "trucks" as defined by Arizona State law. Trucks would be restricted to the two right-most lanes, leaving one lane for truck-free operation; assuring that trucks will always have access to at least two lanes.

Demand for trucking services continues to increase. According to statistics available from the Bureau of Transportation Statistics (BTS) trucking accounts for an estimated 70% of the total value, 60% of the weight, and 34% of the ton-miles of freight moved in the U.S (Bureau of Transportation Statistics, 2006). In addition, between 1980 and 2020, truck travel is predicted to increase by over 90% while lane-miles of public roads will increase by only 5% (FHWA, 2006). This increase will have significant negative influences on traffic congestion and safety. A truck lane restriction strategy is used in many states nationwide as a way to address some of these impacts. With regard to improving safety and mobility, here are several safety benefits of truck lane restriction:

- Prevents "No-Zone" Wrap, Tractor trailer's on two (2) sides of passenger cars at same time
- Positions largest vehicles out of the highest speed lanes
- Reduces the frequency of passenger vehicles being "boxed-in" by large trucks
- Reduces evasive truck maneuvers to the right, or into the trucker's "blind" side
- Provides additional spacing from life-saving median barrier systems.
- Provides additional truck clearance from opposing direction traffic.
- Improves visibility and clearance for disabled vehicles in or along median shoulders.

By improving traffic mobility, the flow of transporting goods through the State positively impacts economic development. The Freight Industry has welcomed lane restrictions in other states because passenger vehicles are able to stay in the fast lanes, which gives more mobility for the trucks in the slower lanes. Trucks then reach their destinations in a timelier manner.

B. Relevance to Municipal Policy (Explain how the resolution impacts cities/towns throughout the state.)

Arizona residents directly benefit from improved traffic operations and improved safety on freeways in Arizona's busy urban areas. In addition, by improving the flow of transporting goods and services in Arizona, economic development of the State, cities and towns could also increase.

C. Fiscal Impact to Cities and Towns (*Explain the potential fiscal impact, if any, to cities/towns. Include any cost estimates if possible.*)

As the State of Arizona is able to reap the positive economic effects of improved traffic flow which in turn improves the efficient movement of goods thru the State, this will positively impact cities and towns as well.

D. Fiscal Impact to the State (*Identify possible state or federal funding sources and if the impact to the state would be an appropriation of monies or a tax credit, exemption, etc.*)

Positive fiscal impact to the State:

Whereas large metropolitan areas (e.g. North Texas) that are in direct competition with the Sun Corridor have successfully implemented 'Goods Movement' oriented traffic restrictions to facilitate enhanced traffic flow have experienced positive economic development effects, the City of Apache Junction and the City of Douglas urge implementation within Arizona so that we also experience positive economic effects.

Negative fiscal impact to the State include: Costs associated with developing and implementing a pilot program, which would include conducting a study before and after restrictions are implemented. If the new restrictions were put in place permanently there are costs associated with selecting, designing, implementation administration, advertising, enforcing, and monitoring of the truck lane restrictions.

E. Contact Information

George Hoffman, City Manager, 300 E. Superstition Blvd, Apache Junction, AZ 85119

Ph: 480-474-5066; E-mail: ghoffman@ajcity.net

LEAGUE OF ARIZONA CITIES & TOWNS RESOLUTION

Resolution #

Urges the Legislature to amend A.R.S. § 23-1022(D) to provide municipalities the option of providing worker's compensation benefits to employees of another agency when working under the municipality's control or jurisdiction through an intergovernmental agreement or contract, especially as it relates to public safety personnel.

Submitted by: (*List the municipalities sponsoring this Resolution – there must be at least two.*)

Town of Wickenburg

* * * * *

A. Purpose and Effect of Resolution (*Explain your proposal and provide any relevant background information.*)

Many small municipalities throughout Arizona recognize the challenge of providing excellent public safety services at all times, especially in the area of recruiting and retaining police officers. Occasionally, staffing levels for AZPOST-certified personnel can dip dangerously low, putting the public's safety in jeopardy. In these situations, it can be useful to partner with other nearby agencies, allowing officers to obtain extra hours at the requesting agency's expense. Municipalities also form similar partnerships for special events, "loaning" and "borrowing" officers under terms of an intergovernmental agreement to assist with a temporary need to increase police protection.

Unfortunately, A.R.S. § 23-1022(D) contains a disincentive for municipalities to enter into these types of partnerships because the statute's worker's compensation provisions are not in alignment with its other sections. The statute dictates that when engaging in these "shared services" partnerships, both participating agencies are deemed to be the "employer" of the shared employee(s). However, worker's compensation benefits remain the sole responsibility of the "home" agency, rather than the requesting agency directing that employee's work.

For example, if a police officer from City "A" is staffing a special event for City "B" under terms of a contract, and the officer is injured while performing a task directed by a supervisor from City "B," worker's compensation benefits remain the responsibility of City "A." Effectively, the worker's compensation benefits follow the badge.

This obscure statute provides an unintentional disincentive for municipalities to openly share resources in time of need and an “opt out” clause should be added. The resolution would have the effect of urging legislators to amend the statute to give the requesting municipality the option of covering worker’s compensation benefits through an intergovernmental agreement or contract, thus freeing the employee’s primary employer from any risk.

B. Relevance to Municipal Policy *(Explain how the resolution impacts cities/towns throughout the state.)*

This resolution positively impacts both rural and urban municipalities throughout Arizona. It serves to clarify an unclear and inconsistent aspect of state law and eliminates a disincentive for public safety agencies to cooperate for fear of worker’s compensation claims outside of their control.

C. Fiscal Impact to Cities and Towns *(Explain the potential fiscal impact, if any, to cities/towns. Include any cost estimates if possible.)*

This resolution has the effect not of increasing or decreasing the overall fiscal burden for worker’s compensation claims across Arizona’s municipalities, but rather distributing it more appropriately. Instead of assigning a claim to an agency that had no knowledge of or control over an employee’s actions at the time of the injury, the fiscal responsibility could lie with the agency actually directing the employee’s work, but only if both agencies agree to structure their agreement in this way.

D. Fiscal Impact to the State *(Identify possible state or federal funding sources and if the impact to the state would be an appropriation of monies or a tax credit, exemption, etc.)*

This resolution has no anticipated fiscal impact on the State of Arizona.

E. Contact Information

Name: Josh Wright Title: Town Manager
Phone: _____ (928) 668-0524
Email: jwright@wickenburgaz.org

LEAGUE OF ARIZONA CITIES & TOWNS RESOLUTION

Request and encourage the Arizona State Legislature to establish a mechanism enabling local government to establish renewable energy and conservation financing districts. In addition, encourage the Arizona State Legislature to identify and define energy efficiency, renewable energy and water conservation as a public benefit that enhances the public good and promotes the health, safety, prosperity, security, and general welfare of the community.

Submitted by:

Flagstaff, Arizona

Tucson, Arizona

* * * * *

A. Purpose and Effect of Resolution

Renewable energy and conservation financing district authority enables local government to create a financing mechanism to provide up front funds to commercial property owners for energy efficiency, renewable energy, and water conservation improvements. Property owners can opt in to finance energy efficiency improvements, renewable energy installation, and water conservation improvements on their property and repay financing through a property assessment.

Energy efficiency, renewable energy and water conservation create an opportunity to utilize our nation’s resources wisely and secure reliable, clean, and safe energy. In the current economic climate the upfront financial commitment necessary to implement energy efficiency, renewable energy, and water conservation improvements is

often a barrier for property owners. A voluntary renewable energy and conservation financing district can remove these barriers.

In Arizona, energy efficiency, water conservation and renewable energy financing programs have significant potential to stimulate the state's economy, create jobs and transition residents to sustainable energy use and production. Such programs can deliver benefits beyond energy independence, including new sources of workforce stabilization and development, increase value and comfort of buildings, provide protection from increasing energy costs and enhance community awareness.

Energy efficiency, water conservation and renewable energy financing programs have been developed in numerous communities across the nation. At least 30 states have passed enabling legislation that allows local government to establish property assessed energy efficiency, water conservation and renewable energy financing districts, defines energy efficiency, water conservation and renewable energy as a public benefit, and grants the authority to issue bonds.

The federal government currently encourages the installation and use of renewable energy through a series of federal tax incentives and credits. Arizona also has several tax incentive-based programs to encourage the production of renewable energy. These incentives collectively make renewable energy projects more affordable only after installation but do little to address the upfront financial commitment.

Improving the energy efficiency of existing structures and deploying renewable energy installations supports adopted Arizona House Bill 2638 (2007), which requires towns, cities, and counties with a population greater than 150,000 to adopt an energy element to their planning policies that will encourage and provide incentives for the efficient use of energy and requires that community general plans contain an assessment that identifies policies and practices that will provide for the greater use of renewable energy sources.

This resolution also supports Arizona regulated utilities' efforts to meet the Arizona Corporation Commission's Renewable Energy Standard that requires 15% of their energy generation to come from renewable resources by 2025.

B. Relevance to Municipal Policy (*Explain how the resolution impacts cities/towns throughout the state.*)

This resolution would support municipalities that choose to promote energy efficiency, renewable energy and water conservation practices within their communities. Many Arizona communities are working to improve the efficiency of existing building stock in the residential and commercial sectors to promote sustainability and help protect community members from rising energy costs.

C. Fiscal Impact to Cities and Towns (*Explain the potential fiscal impact, if any, to cities/towns. Include any cost estimates if possible.*)

Renewable energy and conservation financing district authority would allow local governments to proactively provide a mechanism for property owners to decrease their fossil fuel use and increase energy cost savings. Energy efficiency, renewable energy and water conservation financing programs can remove upfront financial barriers for property owners that would like to develop energy efficiency, renewable energy and water conservation projects. With enabling legislation, local governments could voluntarily elect to establish an energy efficiency, renewable energy and water conservation financing program and participation in the program would be completely voluntary for interested property owners. There would be no fiscal impact on the city or town.

D. Fiscal Impact to the State (*Identify possible state or federal funding sources and if the impact to the state would be an appropriation of monies or a tax credit, exemption, etc.*)

There are no fiscal impacts to the State. Energy district authority would allow for opt-in energy efficiency and renewable energy financing programs at the fiscal responsibility of the property owner.

E. Contact Information

Name: Nicole Woodman / Jerene Watson
Title: Sustainability Manager / Deputy City Manager
Phone: 928-213.2149 / 928.213.2073
Email: nwoodman@flagstaffaz.gov / jerenewatson@flagstaffaz.gov